

Market Pressure: Busting BGH and Biotech

Quotes of the Month:

“In this ‘Biotech Century’ of out-of-control technology, public relations spin, and indentured science and government, global marketplace pressure campaigns have become a powerful tool for consumers to demand safe and sustainably-produced food, to call for Fair Trade and economic justice, and to drive genetically engineered foods and crops off the market.”

Interview with John Stauber, author of *Trust Us We're Experts: How Industry Manipulates Science and Gambles with Your Future* and publisher of *PR Watch*
www.prwatch.org 1/26/02

“Monsanto should not have to vouchsafe the safety of biotech food. Our interest is in selling as much of it as possible. Assuring its safety is the FDA's job.” Phil Angell, Monsanto's Director of Corporate Communications, *New York Times* 10/25/98

BIOTECH BOASTING: ARE FRANKENFOODS CONQUERING THE WORLD?

In January, a biotech industry front group, International Service for the Acquisition of Agri-biotech Applications (ISAAA), announced, with great fanfare, that global acreage of genetically engineered (GE) crops had increased 19% in 2001. According to ISAAA, 5.5 million farmers last year planted 130 million acres (52.6 million hectares) of GE crops, a 30-fold increase since 1996. For the year 2000, ISAAA had reported a somewhat smaller 11% growth in GE acreage. Cheerleaders for Frankenfoods, including Monsanto and the American Farm Bureau, hailed ISAAA's most recent projections as “proof” that the Biotech Century was going forward, despite widespread opposition in Europe and Asia, and increased rumblings of discontent among North American consumers and farmers.

Although most of the corporate media dutifully regurgitated ISAAA's press release on the “progress” of agbiotech, a closer more critical look at the evidence reveals a somewhat different story. First of all, ISAAA estimates on crop acreage are based on interviews with “true believers,” farmers who are growing GE

crops. Secondly, ISAAA gets its funds from corporations such as Monsanto, Aventis, and Pioneer (Dupont). In addition, previous assertions made by the group's spokesman, Clive James have subsequently been proven false. For example, James claimed that 1998 plantings of GE soybeans resulted in a 12% yield increase, when in fact yields fell 6-12%.

Finally, even assuming ISAAA's estimates are correct, BioDemocracy News believes they are inflated); biotech industry trends themselves tell a different story. For example: global GE crop acreage grew over thirty-fold in 1996; 675% in 1997; 255% in 1998; and 143% in 1999. In comparison, puny 11%-18% growth rates in 2000 and 2001 indicate a sharp leveling off in demand for GE seeds worldwide, rather than an increase—obviously a reaction to the growing global opposition against Frankenfoods. ISAAA boasts that 5.5 million farmers around the world are now growing GE crops (another questionable figure) but forgets to mention that there are 2.4 billion farmers and rural villagers who are not growing GE crops.

Despite industry rhetoric, very few countries are willing to ignore public opposition and allow the commercial cultivation of GE soybeans, corn, cotton, or canola, the only four crops currently being grown on any significant scale. While farmers in 130 nations are currently producing certified organic crops, a grand total of three nations, (the US-with 68% of the world's GE crops, Canada-6%, and Argentina-22%) are still producing 96% of the world's Frankencrops. Several highly touted GE crops, the Flavr Savr tomato and Monsanto's Bt potato, have already been taken off the market. Moreover the US, Canada, and Argentina are finding that their major overseas customers such as Europe, Japan, and South Korea no longer want to buy GE crops, even for animal feed. In Europe, the largest agricultural market in the world, grassroots market pressure has forced all of the major supermarket chains and food companies to remove GE ingredients from their consumer products. Meanwhile, on the regulatory front, no new GE crops have been approved for commercialization in the EU since 1998.

Syngenta (formerly Novartis), the largest biotech company in the world, has removed all GE ingredients from its consumer food products. Because of increasing marketplace pressure, 25% of all animal feed in the EU is already GE-free. In a recent poll 80% of British consumers said they would avoid purchasing meat or dairy products from animals fed GE feed. Even China, which was supposed to be the Promised Land for agbiotech, has been reluctant to embrace Frankencrops (other than Bt cotton), sensing that the real future for their agricultural exports to Asia and the EU will be non-GE and organic crops.

Agbiotech industry propaganda about feeding the world through increased productivity is no longer credible. As Amory and Hunter Lovins, founders of the Rocky Mountain Institute, point out: “Genetically engineered crops were created not because they are productive but because they're patentable. Their economic value is oriented not toward helping subsistence farmers to feed themselves but toward feeding more livestock for the already

overfed rich." Currently 63% of the world's GE crops are soybeans, used primarily for animal feed. Corn, again mainly for animal feed, makes up 19% of all GE crops, while rapeseed, used for animal feed and cooking oil, makes up 5%. Even cotton, which constitutes 13% of all GE crops, provides feed for cattle, in the form of cottonseed and cotton gin trash.

A look at ISAAA's figures for 2001 and 2000 reveal that most of the growth in global GE acreage in 2001 resulted from increased cultivation of Monsanto's flagship GE product, herbicide-resistant Roundup Ready (RR) soybeans, by farmers in Argentina (where Monsanto is selling RR seeds at bargain basement prices, trying to boost sales) and the US (where farmers have to grow more and more soybeans in order to obtain government subsidies and to make up for record low prices of soybeans on the world market). One might ask why US farmers are buying so many RR soybeans, since they cost more (US soy farmers have complained about Monsanto selling RR beans at a much lower price in Argentina) and since RR varieties actually produce a 6-12% lower yield as documented by Dr. Charles Benbrook and others.

The answer to the riddle of why US farmers and their counterparts in Argentina are planting so many RR soybeans does not bode well for the future of GE crops. In Argentina, Monsanto's seeds are the cheapest seeds available. If Monsanto sold RR seeds worldwide at such low prices they would lose much of their profitability as a company. In Latin America, Monsanto and their allies (Cargill and Archer Daniels Midland) are desperate to develop a major market for RR soybeans, since Argentina's next door neighbor, Brazil, now the largest producer of soybeans in the world, has a ban on GE soybeans and has taken over the major US overseas soybean markets in the EU, Japan, and Korea, where anti-GE sentiments are strong.

GOVERNMENT SUBSIDIES— WHY US FARMERS PLANT GE CROPS

American farmers are planting millions of acres of RR soybeans and other GE crops, not because there is a market demand for them, but because they are receiving taxpayer subsidies from the US government. Although gene-altered RR seeds and Roundup herbicide are expensive, herbicide-resistant soybeans are more convenient and less time-consuming to grow than traditional varieties-enabling farmers to plant, weed, and harvest more and more acres in a limited amount of time. Instead of having to till weeds with their tractors and spray several different toxic pesticides, farmers need only spray Monsanto's potent broad-spectrum herbicide Roundup, which kills everything green-except for the GE soybean plants. Especially for cash and time-strapped farmers earning most of their money from off-farm employment (US family farmers get about 90% of their net income from jobs off the farm), this "efficiency" makes RR soybeans seem attractive.

Far more important is the fact that in the US, the more acres a farmer plants in soybeans (or other subsidized crops like corn or cotton), the more money the farmer gets from the government farm subsidy program, which last year paid out \$28 billion. Of this \$28 billion in farm subsidies, at least \$7-10 billion went to farmers growing GE crops. Thus even though Cargill or ADM routinely rob farmers by paying them less for a bushel of RR soybeans or Bt corn than it took to grow them, farmers can count on recouping their losses with a subsidy payment from the USDA.

The fundamental flaw, from an economic standpoint, of US farmers ignoring global opposition to Frankenfoods and planting more and more GE soybeans so as to collect more and more subsidy payments from the government, is that there is already a huge global surplus of soybeans, not to mention corn and cotton. This massive surplus is quite profitable for the crop commodities giants like Cargill and ADM, cotton buyers, and the big factory farm cattle feedlots and hog farms, who can count on getting cheap grain and fiber from farmers desperate to sell at any price, but it's nothing less than a recipe for disaster for rural America. Billion dollar subsidies are the driving force for GE soybeans and corn, but they are also the major destructive force flooding the market and lowering the price for soybeans paid to the farmers. This ever-declining price results in farmers planting even more soybeans or corn. The end result of this process will likely be the elimination of most small and medium sized farms in the US who depend upon subsidies (with the notable exception of organic farms, which are selling products which consumers want). Organic farmers currently receive no US government subsidies whatsoever.

A major nightmare for the US grain and cotton farmers (including those growing GE crops) who are surviving on taxpayer subsidies is that government support may soon be declining. Bush administration officials, hell-bent on subsidizing the military-industrial complex to the tune of \$380 billion a year and cutting taxes for large corporations and the wealthy, have recently warned agribusiness lobbyists that crop subsidies may decline over the next few years. This could be bad news indeed for non-organic farmers, but also bad news for Monsanto, Syngenta, Dupont, Bayer, and the other Gene Giants. Without \$7-10 billion a year in government crop subsidies paid out to US farmers growing GE crops, we're likely to see a significant decline, rather than an increase, in GE acreage next year. For updates on the growing global opposition to GE foods and crops click on the Daily News section of the OCA's website at www.organicconsumers.org.

BGH: MONSANTO AND THE DAIRY INDUSTRY'S DIRTY LITTLE SECRET

Seven years ago, Feb. 4, 1994, despite nationwide protests by consumer groups, Monsanto and the FDA forced onto the US market the world's first GE animal drug, recombinant Bovine Growth Hormone (rBGH, sometimes known as rBST). BGH is a powerful GE drug produced by Monsanto which, injected into dairy cows, forces them to produce 15%-25% more milk, in the process seriously damaging their health and reproductive capacity. Despite warnings from scientists, such as Dr. Michael Hansen from the Consumers Union and Dr. Samuel Epstein from the Cancer Prevention Coalition, that milk from rBGH injected cows contains substantially higher amounts of a potent cancer tumor promoter called IGF-1, and despite evidence that rBGH milk contains higher levels of pus, bacteria, and antibiotics, the FDA gave the hormone its seal of approval, with no real pre-market safety testing required. Moreover, the FDA ruled, in a decision marred by rampant conflict of interest (several key FDA decision makers, including Michael Taylor, previously worked for Monsanto), that rBGH-derived products did not have to be labeled, despite polls showing that 90% of American consumers wanted labeling—mainly so they could avoid buying rBGH-tainted products. Family farm advocates joined consumers in demanding a ban on rBGH, predicting that the controversial drug

STARBUCKS: FEELING THE HEAT ON BGH, FRANKENFOODS, & FAIR TRADE

would drive milk prices down, aggravate an already serious problem of milk overproduction, give factory-style dairies added production capacity (since these were the dairies expected to use the drug), and tarnish the image of milk and dairy products.

All of the major criticisms leveled against rBGH have turned out to be true. (For more on the hazards and controversy surrounding rBGH click on www.organicconsumers.org and go to the rBGH section). Since 1994, every industrialized country in the world, except for the US, has banned the drug. Even the Codex Alimentarius, the food standards arm of the World Trade Organization, has refused to back up Monsanto's claim that the drug is safe. In 1998, Canadian government scientists revealed that Monsanto's own data on feeding rBGH to rats, carefully concealed by the company and the FDA, indicated possible cancer dangers to humans. Since rBGH was approved, approximately 40,000 small and medium-sized US dairy farmers, 1/3 of the total in the country, have gone out of business, concentrating milk production in the hands of industrial-sized dairies, most of whom are injecting their cows with this cruel and dangerous drug.

In a 1998 survey by Family Farm Defenders, it was found that mortality rates for cows on factory dairy farms in Wisconsin, those injecting their herds with rBGH, were running at 40% per year. In other words, after two and a half years of rBGH injections most of these drugged and supercharged cows were dead. Typically, dairy cows live for 15-20 years. Alarmed and revolted by rBGH, consumers have turned in droves to organic milk and dairy products or to brands labeled as rBGH-free. Nonetheless, use of the drug has continued to increase in the US (and in nations like Brazil and Mexico) especially in large dairy herds, so that currently 15% of America's 10 million lactating dairy cows are being injected with rBGH. Compounding the problem of rBGH contamination, most of the nation's 1500 dairy companies are allowing the co-mingling of rBGH and non-rBGH milk, thereby contaminating 80-90% of the nation's milk and dairy supply (including all of the major infant formula brands). For a list of organic and rBGH-free dairies in the US consult the Organic Consumers Association (OCA) website.

The major reason that rBGH is still on the market is that it is not labeled. Supermarket dairy managers, following guidelines circulated by the rBGH and biotech lobby, routinely lie to consumers, telling them either that rBGH is not in their products, or that there's no way to tell, and reassuring them that the FDA has certified that rBGH is safe. Of course, every survey conducted since 1994 shows that if consumers were given a choice, they would boycott rBGH-tainted products. When Vermont passed a mandatory labeling law for rBGH-derived dairy products in 1994, the rBGH lobby (led by Kraft/Phillip Morris and the International Dairy Foods Association) sued Vermont in federal court, forcing the state to rescind the law. When many US natural food stores, consumer coops, and dairies began advertising their products as rBGH-free, Monsanto's attorneys sent out thousands of letters to these businesses, threatening to sue them. Eventually Monsanto did sue two dairies, one in Iowa and another in Texas, but was forced to settle out of court.

Responding to the global controversy surrounding the drug, Monsanto put BGH for sale in 1998, but there were no takers. Transnational PR firms working with the biotech industry have categorized Monsanto's handling of the rBGH controversy as a "public relations disaster." Now this public relations disaster has come back to haunt the fastest-growing brand name in the global food and beverage industry, Starbucks.

Since March 2000, volunteers from the Organic Consumers Association have handed out over 250,000 "Consumer Warning" leaflets to Starbucks customers across the US and in at least five other nations where Starbucks operates (Canada, UK, Australia, New Zealand, and Israel). These leaflets call for Starbucks to remove rBGH and other GE ingredients from their coffee beverages, bottled Frappuccino drinks, ice cream, baked goods, and chocolates. The leaflets also call for Starbucks to start brewing Fair Trade and organic coffee as their "coffee of the day" at least one day a week, and to fulfill their longstanding pledge to certify (via Fair Trade monitor or organic certifiers) that they are paying a living wage to coffee farmers and plantation workers who supply them with over 100 million pounds of coffee every year. Starbucks recently gave in to another demand of the OCA and allied groups, stating publicly that they will never use GE coffee beans, now being field-tested in Hawaii and other places.

Starbucks is clearly rattled by the OCA market pressure campaign, especially the criticism that 3/4 of the 32 million gallons of milk it buys every year in the US are coming from dairies that allow cows to be injected with rBGH. Once Starbucks' 15 million customers learn that most of the latte or cappuccino drinks they're paying top dollar for (3/4 of the volume of these drinks are milk) contain an extra dose of pus, antibiotics, and growth hormones and that Fair Trade and organic coffee constitute less than one percent of company sales, they may decide to take their business elsewhere. Starbucks, the largest gourmet coffee company in the world, now owns 4,000 cafes across the globe, including 20% of all the coffee shops in the US. In addition, its rBGH-tainted Frappuccino drinks are distributed to convenience stores all over the US (and in Canada) by Pepsi, while Kraft/Phillip Morris distributes Starbucks' ice cream and coffee beans to mainstream supermarkets. Total annual sales for the company are approximately \$2.5 billion.

Besides swearing off GE coffee beans, Starbucks has responded to the OCA's large and growing Frankenbucks pressure campaign by:

- * Emphasizing that 1/4 of their milk is now rBGH-free, and even using terms like "rBGH-tainted" in referring to their rBGH-derived milk.
- * Offering organic milk and soymilk as an "option" in all of their US cafes (but charging an outrageous 40 cents a cup for this option).
- * Offering organic yogurt in 1000 of their US locations.
- * Test-marketing organic baked goods in Seattle and Portland.
- * Promising to explore the possibility of removing all "GMOs" (genetically modified organisms) from their product line.
- * Agreeing to sell Fair Trade and organic coffee beans (in bulk form) in all their cafes worldwide.
- * Agreeing to brew Fair Trade coffee as their "coffee of the day" at least one day a month in all US cafes.
- * Agreeing to buy at least one million pounds of certified Fair Trade coffee in 2001.

The OCA is happy to report that grassroots pressure by our volunteer network, as well as pressure applied by our allies such as Global Exchange and several organizational members of the Genetically Engineered Food Alert (Friends of the Earth, Pesticide Action Network, Center for Food Safety), have already forced Starbucks to move at least halfway in terms of meeting

our demands. Now all we've got to do is to keep up the pressure on Starbucks until they meet all of our demands. After Starbucks surrenders (just as the upscale supermarket chain, Trader Joe's, surrendered on November 14 of last year, removing all GMOs from their brand name products), then we can turn our market pressure campaigns on the other, even larger, food and beverage companies: the national and regional supermarket chains, industry giants like Kraft, the coffee giants, and even the fast food chains-just as our counterparts in Europe, Japan, South Korea, India, Brazil and other nations have already done.

A victory in the OCA's Frankenbucks campaign will send an important message, not only to all of the 20,000 coffee shops across North America (many of whom are already starting to do the right thing by banishing rBGH and other GMOs from their menus and serving up organic and Fair Trade products), but to the entire food, restaurant, and beverage industry: consumers are sick and tired of having rBGH and other untested and unlabeled Frankenfoods shoved down their throats. There's only one future for American agriculture: meeting the ever-growing market demand for healthy organic food, produced in a humane and sustainable manner by small and medium-sized farmers.

On February 23-March 2, the OCA is organizing protests and leafletting events in front of Starbucks cafes in over 600 locations worldwide. These Global Days of Protest against Starbucks will coincide with the annual stockholders meeting of the company, to be held in Seattle on Tuesday February 26. While hundreds of protestors gather outside the Starbucks stockholders meeting in Seattle, inside a group of concerned investors will likely be calling for a vote on a resolution asking for the company to label or remove rBGH and other GE ingredients from all of Starbucks products.

If you are willing to join other OCA volunteers and leaflet a Starbucks café in your community please send an email to simon@organicconsumers.org or call the OCA national office at 218-226-4164.

MARKET PRESSURE: BUSTING BIOTECH

The worst nightmare of Monsanto and the biotech industry is starting to materialize: a mass-based consumer and environmen-

tal marketplace pressure campaign in the heartland of Frankenfoods-North America. A number of major US food companies are already responding to public pressure and starting to sweep Frankenfoods off their products lists and their grocery shelves: Gerber (baby food), Heinz (baby food), Frito-Lay (at least for their corn), Whole Foods, Wild Oats, Trader Joe's, and even McDonald's (at least for their French fries). Organic consumers must make sure that Starbucks is the next company to fall in line.

Greenpeace, the Organic Consumers Association, the Genetically Engineered Food Alert www.gefoodalert.org and local activists all over the US are now joining forces to drive GE foods and crops off the market. Our central strategy, following the example of successful European campaigns, will be to raise the level of public debate and apply sustained pressure on strategic supermarkets and leading food corporations to remove GE ingredients from their product lines and to replace these products with GMO-free and organic items. At the same time we're doing this in the US, our counterparts in Canada (Greenpeace, Council of Canadians, Sierra Club, and National Farmers Union) will continue targeting Loblaw's (a nationwide supermarket chain) and other companies. Meanwhile, our allies south of the US border are building up a farmer/consumer/environmental coalition to stop the US and Canada from dumping GE corn and other products on Mexico and Latin America.

The Organic Consumers Association needs your financial support (you can make a donation through our website or send a check to our office), and, most of all, your volunteer labor. If you're willing to leaflet Starbucks or a supermarket in your community send an email to simon@organicconsumers.org

Stay tuned to BioDemocracy News and the Daily News section of our website for Action Alerts and breaking news and analysis

www.organicconsumers.org

We now have over 10,000 articles posted on our website as well as a convenient Search Engine to find whatever you need to know about GE foods, rBGH, organics, food safety, Mad Cow, globalization, and the various OCA campaigns. Check us out!

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