

Chavez In Process of Nationalizing Cargill Rice Facility In Venezuela

Cargill Is Cooperating

REGINA LAROSE
MidAmerica Farmer Grower

CARACAS, VENEZUELA

Last week, President Hugo Chavez ordered the expropriation of Cargill's rice-processing plant in Portuguesa, Venezuela. Starting with a single grain elevator in 1865 in Iowa, Cargill is now an international producer and marketer of food, agricultural, financial and industrial products and services. The privately held company employs 160,000 people in 67 countries. More than half of Cargill's employees work in developing countries.

Mark Klein, Cargill spokesman said, "the Venezuelan government is in the process of nationalizing our rice processing facility there. We are cooperating with them. No other Cargill businesses are affected by this move."

In 1986 Cargill began business in Venezuela by purchasing the assets of Agroindustrial MiMesa in Maracaibo. Today Cargill employs about 2,000 employees spread among 22 locations in Venezuela. Cargill's Venezuelan products include: edible oil, pasta, flour, industrial flour, rice, cookies, fruit juice, pet foods, and

animal nutrition. Grain and oilseed trading and marketing, financial and risk management and salt production are other ventures Cargill conducts in Venezuela.

Dwight Roberts, President and CEO of the U.S. Rice Producers Association, was asked for his thoughts on the dilemma. Roberts said, "we have observed a number of countries around the world making policy changes in their efforts to keep commodities affordable to their consumers along with an effort to build reserves. Just like other grain and products, rice is a basic and daily aspect of the Venezuelan diet. I believe this is the serious effort that President Chavez is attempting to manage."

According to CIA-The World Factbook, President Chavez has nationalized other sectors of business, "President Hugo Chavez in 2008 continued efforts to increase the government's control of the economy by nationalizing firms in the cement and steel sectors. In 2007 he nationalized firms in the petroleum, communications, and electricity sectors. In July 2008, Chavez implemented by decree a number of laws that further consolidate and centralize authority over the economy through his plan for "21st Century Socialism." Δ



Link Directly To: **AGROTAIN**



Link Directly To: **SYNGENTA**