

Global soy commodity chain

[Business](#), [Industries](#)



Brazil is the second largest producer of soy in the world. Brazil's soy production mirrors the US and ADM's agribusiness production model. Genetically modified plants are used and pesticide protected. The soy industry has been profitable helping to strengthen Brazil's economy. However, soy production in Brazil has been the source of contention from groups like Greenpeace due to the destruction of Amazon Rainforest lands to grow soy as a commodity crop. Numerous active protests by Greenpeace to draw attention to forestation losses have led to laws in Brazil directed at this problem. PPA's or Permanent Preserve areas have been instituted as Sustainability Law requirements for soy farms in Brazil. Europe was Brazil's top soy buyer until protests and attention came to the fact that the Amazon was affected by this industry. Ships carrying soy to Europe from Brazil were blockaded by Greenpeace. The European market for Brazil's soy also hinges on the use of Monsanto's genetically modified product. European soy consumers have banded against these products outlining their case against genetically modified soy. Their purpose is to keep Brazil's soy products GMO free.

Increasingly, Brazilians do produce Monsanto GMO soy products and can sell this product easily to China. European response to this is to partner with farmers in Brazil, who do not produce GM products, much like fair trade organizations. Soy and Agribusiness have come under a great deal of criticism. Much of this is environmental, political, economic, and social. ADM's founders formed the industry with seemingly good intentions. "Solving the world's hunger" and "Supermarket to the World" are motto's that demonstrate the intention of the corporation.

They have enjoyed a great deal of success and profitability churning out products that do, in fact, feed the world. However utilizing genetically modified plants and pesticides reduce the gamble a farmer makes; degrading the environment and employing less people to care for plants. Due to agro-industrialization " soybean production is almost entirely mechanized". People are not employed in the task of farming but rather the science of genetic modification in the US and Brazil. ADM manages almost every part of the soy commodity chain their corporation constitutes over 70% of US soybean production.

They work with US soy farmers and are involved with Latin American soy production. They have more than two hundred sixty five processing plants for raw materials like soy. Soy is sold and shipped by ADM, but it is also processed into many component products. Novasoy, a trademarked product of ADM, is a non GM derivative. Clarisoy is a protein product also marketed to manufactures like General Mills etc... In their cosmetic marketing of soy ADM describes: " Nature provides some of the world's best personal care ingredients.

ADM taps that potential, offering vegetable-based lipids, natural antioxidants and soy ingredients that can give your products enhanced performance". Scientific advancements with agricultural products like soy are American staples of industry. Genetic modification for better or worse was an early advance and became successful economically. Now the science for agricultural products is geared to sustainability issues. Industry support for education and scientific advancement led to the development of the soy

crayon that is better for the environment. Soy is a more sustainable resource than petroleum.

The same can be said of soy derived fuels. This lessens the use of petroleum. Ford has a history of interest in plant derived resources for industrial products in the forties Ford built what is sometimes referred to as a "soy car". Soy fiber was part of a polymer developed for the body of this vehicle. It was not popular at the time, due to taxpayer dollars being invested in this type of research, and WWII insured that his agricultural industrial plans were put aside, however the modern day company picked up on this cue and developed foam for car seats that are used in new models.

They have also begun using soy in place of petroleum on tires and expect to have a more sustainable car tire. The social trend and movement in soy agriculture is opposition to genetic modification and agribusiness. ADM has responded with organic and non GM products, they are a business and their success is contingent upon consumer demand. For those who consume soy products packaging and advertising like that of Silk soymilk products announce that they are free of GMO. The market for this type of product is growing as the issue of agriculture and agricultural products becomes more prominent.

The historical context of the development of the soy commodity chain is interesting because the plant is Chinese in its origin and had little place in the Western world until this century. Currently, it is almost entirely produced in the Americas and exported in large quantities to its place of origin. As a Northern American, I am familiar with agribusiness. I saw ADM's "

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"Supermarket to the World" commercials every Sunday in my childhood. I accepted that that this was a wholesome company, after researching this I understand the criticisms and consequences although I do believe the founders of this system had good intentions.