



the grain maker



Dwayne Andreas runs a \$13 billion agribusiness, but some say he runs a lot more than that. He has whispered into the ear of every president since Harry Truman, and he gives millions to both political parties. Want to know how the system really works?

Meet the man behind the curtain
By Patrick J. Kiger

Dwayne Andreas in 1987; ADM grain processing facilities; Andreas with Mikhail Gorbachev in 1988

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for someone who's shaped the face of our democracy, Dwayne Andreas has little patience for public debate. "I'm sorry, that's just about enough!" he snaps, glaring from the stage at a man in the crowd who'd questioned him about his business a bit too persistently. "Turn off his microphone.... *Turn off his microphone!*"

The setting is Decatur, Illinois, the occasion the annual shareholders' meeting of Archer Daniels Midland Company, the giant international agribusiness of which Andreas is chairman and chief executive officer. Throughout the cavernous company auditorium, Andreas's amplified words boom. But the thunderous sound is in startling contrast to the speaker himself—an elfin septuagenarian clad in a baggy gray suit, puffing up to his full five feet four inches as he peers out through dark-framed eyeglasses.

To the left of the stage looms a large movie screen, allowing the thousand or so shareholders present to gaze upon the wonders of Andreas's real-life Oz. ADM is a sprawling global enterprise with \$13 billion in annual sales. Its plants transform corn and soybeans into the staples of modern life—from the bubbles in soft drinks to the chemicals that keep bread from going stale. Millions of people use ADM products every day without even realizing it. Except for the company's commercials—those panoramas of bucolic farm fields and tables overflowing with ADM products—ADM keeps an incredibly low profile.

As does the man pulling the levers. Just as Andreas's control of the sound system keeps unruly stockholders at bay, so the press is seated to the far right of the stage so that security men can block the path of any reporter who might approach Andreas. Tape recorders are barred.

If Andreas appears secretive and autocratic, perhaps that's because this wizard is accustomed to operating at a level far above ordinary mortals—in the cabin of his French *Mystère* Falcon 900 jet as he flies between world capitals; over intimate dinners at the White House; at gatherings of the Bohemian Club or the Trilateral Commission. Indeed, over the past half-century, the ADM chairman has met heads of state from the late Spanish dictator Franco to premier Deng Xiaoping of China, and gotten to know every Russian leader from Khrushchev to Yeltsin.

But Andreas carries even more clout in American politics. There aren't many people, after all, who've been on good terms with every U.S. president since Harry Truman, or who've been able to count among their friends some of the most powerful leaders on Capitol Hill over the past few decades—from Tip O'Neill in the Democratic past to Bob Dole in the Republican present. Andreas's close relationship with Dole led Pat Buchanan, during the GOP primary, to label the former Kansas senator "an Archer Daniels Midland Republican."

"The thing that's always amazed me is how many people he knows," says former Reagan secretary of agriculture John Block, a longtime acquaintance. "One time I was at a meeting where he was sitting right beside Gorbachev. The next week I'm at a luncheon and he's in the corner talking with the prime minister of India."

Andreas is so politically omnipresent that it's hard to categorize him. To call him a political player understates the pervasive yet subtle influence of a man who doesn't even belong to a polit-

ical party. Labeling him a businessman doesn't convey the essence of an industrialist who's created whole new industries.

In truth, Dwayne Andreas is a sort of *über*citizen, striding above the fray of Democrat versus Republican, liberal versus conservative—even, some would say, above the law. Through the power of his purse, Andreas helps make politics possible, and then he strolls the road he has helped to pave.

Precisely how much the various Andreas family and corporate interests have dispensed in political contributions since he first began giving in the 1940s is virtually impossible to calculate. Before the 1974 campaign-finance reforms limited the amounts individuals could contribute during an election, Andreas gave massive amounts of cash to, among others, both Minnesota Democratic senator Hubert Humphrey and President Richard Nixon. Today, the Andreas family and ADM are among the biggest donors of "soft money"—unlimited contributions to party organizations—to both Republicans and Democrats. And Andreas has come up with millions more to help his politician friends in other ways, such as contributing to their pet charities or legal-defense funds. In the last five years, for example, he has contributed \$3 million to the American Red Cross—whose president is, of course, Elizabeth Dole.

Andreas's critics note the multitude of ways the government has benefited ADM—through price supports, export subsidies, foreign aid programs and loan guarantees that induce countries to buy ADM products—and accuse him of manipulating the system. But that charge misses the larger point: Andreas, for better or worse, helped create the system. At age 78, he's one of the last holdovers from the post-World War II era in which much of our present political and economic structure took shape, guided by "wise men" such as Dean Acheson, McGeorge Bundy—and Andreas.

But now, in the twilight of his career, perhaps the last remaining wise man finds himself struggling to preserve that comfortable world from intensifying attack. On one hand, there's an insurgent Congress filled with brash young conservatives eager to dismantle the government programs Andreas helped put in place. Last fall, the new chair of the House Ways and Means Committee, Texas Republican Bill Archer, tried to slash the annual \$500 million Federal subsidy for ethanol, a corn-based fuel of which ADM happens to be the nation's biggest producer. He failed, thanks to the intercession of Newt Gingrich and Bob Dole, both beneficiaries of Andreas donations. But that Archer even had the temerity to try was a sign of just how much times had changed.

An even graver threat comes from an FBI probe into whether ADM has conspired to fix world markets for some of its products: The headline-grabbing revelations include a company executive who led a double life as an FBI informant and clandestinely taped ADM colleagues in business meetings.

These are issues that Andreas ignores as he calls the annual meeting to a close. He invites the shareholders to a complimentary buffet of vegetable burgers and soy ice cream, though Andreas himself will not be able to attend. Referring obliquely to ADM's troubles, he wraps up with an old Churchill line passed along to him by ADM board member and former Canadian prime minister Brian Mul-

ronery: "If you're going through hell, keep going."

And with that, the wizard of Decatur slips behind the curtain and is gone.

Eight months later, after numerous phone calls, letters and faxes, I had given up on getting a closer glimpse of Andreas. Then one afternoon I was surprised by a call from his personal assistant, Claudia Madding. Was I still interested in speaking with Mr. Andreas? A few days later, I flew to Decatur and was ushered into a spacious, L-shaped office, dominated at one end by an enormous globe. Andreas offered a manicured hand in greeting and beckoned me to sit.

In the flesh, he is even tinier than he appears onstage, though broad-shouldered and fit-looking for a man in his late seventies—the result of a careful diet and daily 5 A.M. workouts on a treadmill and in a swimming pool. He is not the usual prosaic captain of industry; the white silk pocket square in his blue blazer, the dandyish black loafers with suede insteps and the bottle-bronze complexion seem more Florida Gold Coast than Grain Belt Midwest. But there is nothing casual about Andreas's manner. He is polite, but reserved and unmistakably wary: Andreas has little affection for journalists. "If I hadn't had bad media, I'd be unknown right now," he says wistfully.

Andreas prefers to be a behind-the-scenes shaper of history. In his office is a picture of himself talking with Ronald Reagan in the Oval Office shortly after Andreas returned from a mid-1980s Soviet Union trip. "At the moment that photo was taken," the wizard explains, "I was saying to Reagan, 'Mr. Gorbachev asked me to tell you that he will no longer be an enemy of the United States.' Reagan said, 'Well, do you think that he might be a Christian?' I said, 'Well, I wouldn't be surprised, but I'll find out.'" Andreas returned to Moscow and a month later reported back: Gorbachev had confessed that although Communist party members were officially atheists, he was indeed a believer. Reagan, who'd made a career of condemning "godless communism," was relieved. "I think that gave him an excuse in his own mind to start dealing with Gorbachev," Andreas says.

But ask Andreas about his own political leanings and he turns vague. "All the good things that have come out of government have been bipartisan," he says. Press him and the intimate of presidents will insist, "I don't know anything about politicians—it's not my job. They fight with themselves about power."

"So power is not one of your interests?" I ask.

"That's their job, not mine," Andreas replies. "My job is to run the business."

Supermarketer to the world: Andreas at his ADM office in May

In a conference room in the U.S. Capitol in May of 1995, Andreas sat at a round table, about to perform before the type of elite audience to which he is most accustomed. The occasion was a meeting of a Senate agriculture subcommittee, whose chairman, Jesse Helms of North Carolina, welcomed "Mistuh Dwayne Andreas, who is known to all of us." Said Andreas, humbly, "I'm just one of the privates in this trade war."

He was there on behalf of a consortium of agribusiness groups to defend the Federal Export Enhancement Program from proposed funding cuts. Under EEP, the government promotes exports by buying surplus grain from farmers and giving it free to companies such as ADM, which then sell it in other countries and keep the money. Over the last decade, according to the libertarian Cato Institute, ADM has made \$130 million from the program; to the budget-slashing crowd, EEP looks like corporate welfare of the most outrageous sort.

So Andreas came to Capitol Hill not to lobby—he steadfastly denies ever having engaged in such a thing—but to educate these senators. In his remarks, he took them back four decades, to the system's genesis at the dawn of the Cold War, and evoked the ghost of Dwight Eisenhower. Andreas repeated Ike's lament that every dollar the world spent on weapons "signifies in the final sense a theft from those that hunger and are not fed."

"A few months after he made that statement, Eisenhower called a few of us," Andreas added. "He said, 'We need the export business, but we are filling the world with arms.'" Why not peddle wheat and soybeans instead?

The U.S. now exports nearly \$50 billion a year in crops, Andreas announced confidently. Even better, he told the senators, the U.S. could boost its agricultural sales another \$25 billion by the end of the century, creating 500,000 new jobs. What stands in the way is the difficulty of competing with countries where the government heavily subsidizes farmers. That, he said, made it vital for the U.S. government to keep providing free grain to exporters.

Only Pennsylvania Republican Rick Santorum, a 38-year-old freshman who wasn't even born when Andreas took his first phone call from Dwight Eisenhower, dared question his wisdom. Santorum cited a study suggesting that export subsidies for wheat are unnecessary because most of the grain would be sold anyway.

"That is just a ridiculous statement," Andreas responded. "Who made that
(continued on page 116)

"I don't know anything about politicians," Andreas insists. "They fight with themselves. My job is to run the business"




lines, the one that I love the best, "We want democracy to survive for all generations to come." Isn't that nice?

Well, it leads me to two thoughts. First, part of the reason I'm a balanced-budget supply-side Republican is that I believe we should balance the budget for profound moral reasons. But I also believe in supply-side economics, even lower taxes and free economic growth. It just drives my friends nuts, because I'm supposed to be one or the other. And I would guess that growing up under Ike is as good a reason for me to have become a balanced-budget Republican as any, because he understood why it mattered as a moral decision: forcing yourself into a discipline that you would otherwise avoid.

The other line—his point about generations to come—one of the great emotional moments of my childhood was reading an Isaac Asimov novel. I think it's *Pebble in the Sky*, in which these people go running around the universe trying to find this one document that will help them organize themselves in the aftermath of the collapse of their empire. Well, the closing paragraph of the book—as they begin to look at this document they've spent the entire novel getting to—says, "We, the people of the United States..."

When I saw *Star Wars* it was just a re-creation of my childhood, because there was a Soviet empire, there were good guys. One of the things that made me feel confident under Jimmy Carter that we were going to win again was that *Star Wars* was a popular movie despite everything the elite culture had done. Because it comes down in the end to freedom versus non-freedom.

I believe, sitting here in this remarkable building, looking down over that mall, that we have it within our grasp to provide a model of human freedom, prosperity and achievement, which could within a half century allow the human race to live in freedom and safety. I also believe we have the potential to petulantly and childishly throw it all away. And we could face 1,000 years of chaos or Chinese authoritarian discipline. And I don't believe that our generation will know which happens. And that draws me to this, and no matter how tired I get and no matter how beaten up I get, the notion that you and I stand at a moment in history when we could even marginally influence those differences for our great-grandchildren, to not do everything you could to tilt it to freedom and safety and prosperity would be insanity. 

The Grainmaker

(continued from page 89) statement?"

"The Congressional Research Service," Santorum replied.

"It is ridiculous."

Having to explain how the world turns to a U.S. senator and receiving such insolence in return—well, it was not the way Dwayne Andreas was accustomed to being treated. "He thinks [the new Congress] has an unsophisticated view of the world," explains a longtime friend, Minnesota businessman Paul Rexford Thatcher, Sr.

It was so different in the era in which the wizard came of age. Flash back to Minneapolis, 1948, when a young businessman walked into a campaign office of Mayor Hubert Humphrey, a Democratic candidate for the U.S. Senate, and startled the staff by plunking down an unsolicited \$1,000 contribution. "That was a spectacularly large amount from someone I hadn't met," Humphrey would write in his memoirs. "So I sought him out to thank him and take his measure." (Andreas recalls their first meeting differently, saying they met in church.)

In time, Humphrey got to know his mysterious benefactor. Andreas had been born in Minnesota in 1918, the fifth of six children of Reuben P. Andreas, a prosperous Mennonite farmer, and Lydia Stoltz Andreas. The Andreas clan was an ambitious bunch; they moved to Iowa in 1922, took over a grain elevator foreclosed on by a bank, then branched into selling feed. Dwayne had quit Wheaton College in Illinois after a year to help run the family company. Shortly afterward, Augustus Staley, a well-to-do grain merchant, took him to lunch and told him that since soybeans were the money crop of the future, the Andreases should build a soybean processing plant in Iowa. They did, and the prediction came true in spades.

In 1945, Dwayne—who'd become boss after his father stepped down—sold the business in anticipation of a draft notice that never came. Instead of becoming a soldier, at age 27 he found himself a millionaire. He went to work for Cargill, a grain trader, and began to scout opportunities in overseas markets.

The soybean mogul and the soon-to-be senator from Minnesota hit it off, but in some ways they were an unlikely pair. Humphrey was a Farmer Labor party liberal who believed that government must intervene in the marketplace to protect farmers from economic calamity. The young Andreas, however, feared politicians would tyrannize farmers just as the



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railroad trusts had done earlier in the century. Yet Humphrey liked how his young friend was willing to think big, to look at the global picture.

Soon enough, Andreas became Humphrey's sounding board and traveling companion, going overseas with him on political trips three or four times a year for the next quarter century. As Humphrey's unofficial representative, Andreas met with finance ministers and heads of state, sounding out their concerns, floating diplomatic trial balloons. Gradually his thinking evolved. He learned how world markets really worked—how small farmers in France formed a powerful voting bloc that compelled the French government to protect them from competition, how U.S. foreign aid programs to poor countries could create markets for American foodstuffs.

From Humphrey, Andreas also learned a soft-sell style of exerting influence. In Humphrey's view, for a backer to ask favors of a politician was unseemly, a betrayal of public trust. "I had an understanding with Humphrey," Andreas explains. "I never discuss my business with politicians. Never."

But there was nothing wrong with a backer seeking to have his *ideas* heard and considered. For some, Humphrey wrote, "the opportunity to say casually, 'I told the senator..., ' is payment enough."

And the senator, in turn, might facilitate an Andreas idea—such as the potentially profitable but politically risky notion of trading with the Soviet Union. "Humphrey took me into Eisenhower's office," Andreas recalls. "Eisenhower said, 'Look, I'll give you two pieces of advice. First, before you go [to Moscow], see Senator Joseph McCarthy. Tell him you want to sell butter. Then he won't be able to oppose you, because his state of Wisconsin absolutely lives on butter. The second thing I'm going to tell you is, sell them everything they can't shoot back.'"

Besides being Humphrey's confidant, Andreas became his money man, providing hundreds of thousands of dollars for the former mayor's Senate and presidential campaigns, and arranging meetings with the likes of Jacob Blaustein of American Oil and Henry Ford II. Humphrey didn't have much of a knack for his personal finances, so Andreas took them over. He parlayed the senator's blind stock trust from \$85,000 to \$500,000 at the time of Humphrey's death in 1978.

Along the way, Andreas expanded his circle of political intimates, offering first his friendship, then his support and finally, subtly, his advice. Former senator Charles Percy of Illinois recalls, "When I ran for governor in 1964, I was

in Decatur and Dwayne came up to me. He said, 'I know you like to swim,' and told me about his indoor pool, the one with the jets so that you can swim against the resistance. He invited me to come over and use it anytime I was in town, even if he wasn't there."

When Percy moved up to the Senate, Andreas helped him again. Percy eventually became chairman of the Foreign Relations Committee, and before he went to the Soviet Union to meet with high-ranking officials, he met with Andreas for advice, and then again afterward to brief his benefactor on the results.

"He's really more an impartor of information than a collector," says Robert Mosbacher, who relied on Andreas's insights about the Soviet Union when he was secretary of commerce in the Bush administration. "I know there will be some people who won't believe this, but his influence comes more from his global knowledge of macro- and microeconomics than from his political contributions."

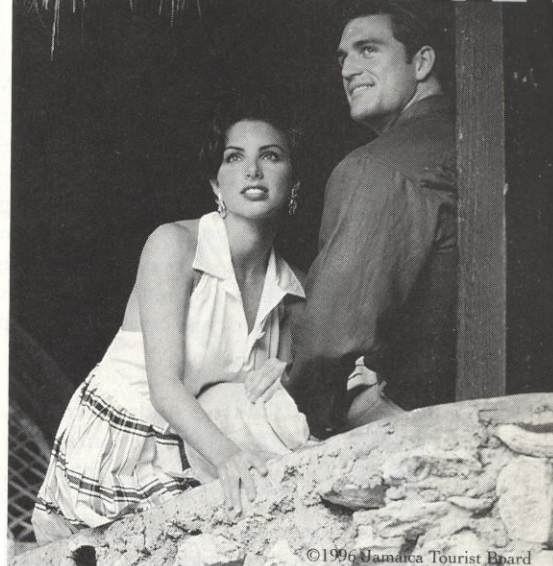
In the early 1950s Andreas began vacationing in Bal Harbour, Florida, where he eventually bought a 4,000-square-foot suite at the Sea View Hotel. At a reception there in 1953 for Winston Churchill, Andreas met an important Republican, New York governor Thomas Dewey, who would become Andreas's attorney and a link to the country club Republican moderates of the Eastern establishment. It was Dewey, Andreas says, who advised him to give money to politicians of both parties. "It was good citizenship," Andreas explains. Humphrey seconded the notion.

"Humphrey always felt guilty asking Dwayne to do something for him politically, because it might cause problems for Dwayne with the Republicans," says Paul Thatcher. "Finally, he went to Andreas and said, 'Look, you simply must hedge your bets here. I would feel awful if you were harmed by supporting me.' And he was right. Elections come and go, but major investments don't."

Later, Humphrey would introduce him to a young Kansas congressman named Bob Dole, and the pair found that they too could work together. When Humphrey became vice-president under Lyndon Johnson in 1965, Andreas became an even more influential figure.

At the same time, Andreas was rising to the top of the business world. In 1965 he was approached by a director of Archer Daniels Midland, an old-line outfit struggling through rough times. Andreas was offered a lucrative deal—100,000 shares of stock at just over half the book value—if he and his brother Lowell

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The Grainmaker

would join ADM's management and help revive the company. Andreas sold off ADM's unprofitable subsidiaries and plowed the cash into creating a far-reaching, fully integrated company. ADM could buy corn and soybeans from farmers, mill them in high-tech plants and ship them around the globe in its fleet of barges, railway cars and ships. The man who had once fretted about the octopus of the railroads had created the octopus of agriculture.

When Dwayne Andreas visited the White House in the spring of 1972, Richard Nixon's secretary, Rose Mary Woods, ushered him in. What he held in his hand didn't look important—a cardboard expansion folder, held together with a rubber band. All the same, Woods had the package locked in one of the basement safes where the President kept sensitive files. Some months later, at Nixon's request, she took a peek inside. The humble valise contained what appeared to be ten packets of \$100 bills. As Woods later told investigators from the Watergate special prosecutor's office, she wrote "\$100,000" on a slip of paper, went upstairs and

handed it to the President. He examined it and handed it back to her, saying nothing.

Today, Andreas bristles at the suggestion that there was anything untoward about the clandestine donation, which, he notes, was entirely legal at the time. "Everybody gave Nixon cash, because the media was just death on people that gave anything—they would immediately say it was a bribe. So everybody with any brains gave in cash, in secret."

Andreas's relationship with Nixon seemed the oddest of the wizard's political gambits. After all, Humphrey had been Nixon's opponent in the 1968 presidential election; Andreas had been Humphrey's chief fundraiser. But with Humphrey's blessing, Andreas had contributed to Nixon's campaign as insurance; the political opponents were, in private, good friends. During the campaign Andreas served as a courier between them, soothing acrimony. "The media can't sell papers unless they have a fight," Andreas says, "and the staffs hated each other, so they were always saying, 'Oh, Nixon said so and so,' trying to get the boss mad. Humphrey would haul me off to the bathroom and say, 'You want to ask Nixon if he said that?' Always, the answer turned out to be no."

Shortly after defeating Humphrey, Nixon asked Andreas to meet with him. "He had two things he wanted to tell me. 'One, you're going to sell wheat to China. Get ready—it's going to take me a year or two' [to open U.S. diplomatic ties]." The news thrilled Andreas, who says that it was he who had put the idea into Nixon's head years before.

But the second matter was even more surprising. "Nixon said to me, 'Dwayne, Hubert and I had been such good friends in the Senate.... Would you tell Hubert that I think we should decide right now that we're going to run against each other in four years. It'll be a hell of a lot harder to get reelected than it was to get elected. But if I'm going to lose, I'd rather lose to Humphrey than to any other Democrat.'"

To aid Humphrey in getting the nomination, Andreas reveals, Nixon wanted to appoint Humphrey ambassador to the United Nations. "Nixon said, 'We'll give him all the chances possible to look good. And you can raise \$20 million for him during this four-year period.'"

But according to Andreas, Humphrey declined the offer in order to run for Senate again. Instead, George McGovern became the Democratic nominee in 1972, and another of Andreas's cash contributions became part of Nixon's undoing.

On April 10, a Minnesota hearing-aid manufacturer named Kenneth Dahlberg flew down to Bal Harbour to see Andreas. Dahlberg was a partner with Andreas in a Minneapolis bank and also a deputy to Nixon fundraiser Maurice Stans. Andreas and Dahlberg played a round of golf—"I let him win," Dahlberg recalls—and then Andreas gave Dahlberg \$25,000 in cash. Dahlberg converted it into a check, which ultimately ended up in the bank account of Watergate burglar Bernard Barker. When discovered by investigators, the money provided an early concrete link between the burglars and the Nixon campaign.

Though Andreas's involvement in Watergate was largely an accident—"I had absolutely nothing to do with it," he says irritably—the spotlight it shone on the secretive business of big-money political donations ultimately led to his indictment in 1973 on charges of making an illegal \$100,000 campaign contribution—not to Nixon but to Hubert Humphrey. But Andreas's high-powered lawyer, Edward Bennett Williams, managed to win him an acquittal without Andreas ever having to appear in court. Laments a former government attorney, "We never even got to see him."

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After Watergate, Andreas's business empire continued to expand. In a sense, his style harked back to the nineteenth-century industrialists, the Andrew Carnegies and John D. Rockefellers. But while the Gilded Age tycoons built immense fortunes in large part because of a lack of government regulation, Andreas's ventures often *required* government help to turn a profit. One new source of revenue was corn syrup, which had replaced sugar as the sweetener in Coke, Pepsi and other soft drinks. Corn syrup is cheaper than sugar, largely because sugar's cost has been kept artificially high through government price supports—a program pushed through Congress in the late '70s by one Hubert Humphrey.

Another of Andreas's brainstorms in the '70s was to turn corn into ethanol, an octane-increasing gasoline additive that ADM peddled in response to what then seemed to be a future full of dire oil shortages. But ethanol proved expensive to make, and it couldn't compete on the market—until, that is, it was exempted from Federal highway taxes on fuel. That 1978 legislation was championed, then and now, by Bob Dole. According to Federal Election Commission records and news reports, ADM and the Andreas family and foundation have given \$470,000 to Dole's campaigns, political organizations and charities, an enormous amount from what is essentially a single contributor. ADM has also allowed both Doles—Bob for political business, Elizabeth for Red Cross affairs—to travel on ADM corporate jets for a fraction of the actual expense.

Andreas admits he likes to help politicians he considers "constructive" but dismisses as naive the notion that he's buying their cooperation. "My contributions couldn't possibly be one half of one percent of what any candidate needs," he insists. "A senator runs today, he's got to raise \$25 million. So I give him \$1,000 ... how's that going to influence him?" He pauses. "Support. That's what it is."

But in another way there is no question that Andreas's money has a big impact. In 1988, Robert Mosbacher, then chief fundraiser for George Bush's presidential campaign, saw a newspaper article detailing how the Democrats had discovered a loophole in Federal election laws that would allow donors to give unlimited sums of soft money to national party organizations. First, Mosbacher lined up a few staunch Republicans so that he could drop their names as evidence the scheme was legit. Then he called his sometime golf buddy Andreas. "I re-

member that it wasn't too hard to persuade him," Mosbacher says. "He understood the concept without a lot of time and effort to explain it." But even Mosbacher was surprised by the amount Andreas donated to the GOP over the next four years: more than \$1 million.

Since then, the GOP and the Democrats alike have come to regard Andreas the way casinos view high rollers. His soft-money millions underwrite the permanent party infrastructure—computer equipment, office space, phone banks and voter registration drives—that can sway a toss-up state in an election. It's money that helps keep the two traditional political parties alive, money that maintains familiar faces on both sides at the controls. And giving to both parties makes it difficult for either to criticize Andreas: If Bill Clinton wanted to make a campaign issue of the Doles' ties to Andreas, he couldn't—because he also has benefited from Andreas's generosity.

The status quo is further reinforced by the \$20 million ADM spends each year to underwrite news and talk shows that cover politics—\$600,000 to help bankroll the recent expansion of National Public Radio's *All Things Considered*, \$6.8 million for public television's *The NewsHour with Jim Lehrer*, millions more to sponsor shows such as *Face the Nation* and *This Week with David Brinkley*. "Andreas owns Sunday morning," boasts Paul Thatcher. Andreas himself, Thatcher says, dreams up the concepts for ADM's image commercials, which frame ADM not as a business that puts bubbles in soft drinks but as the altruistic "supermarket to the world." The shows themselves are largely discussions among Washington insiders whose muted discussion of "the issues" help keep the political debate framed in safe, nonthreatening parameters.

"I've never thought of the money we spend on television as having any political significance whatsoever," says Andreas. "It's advertising." But he does value the name recognition from a select group inside the Beltway. "It's good to be able to meet once in a while with important people and you don't have to say, 'I'm Dwayne Andreas, and I'm involved in factories or something.'"

With his money and his closed circles, Andreas can ward off the press. But he could not avoid another, more threatening type of scrutiny. On an evening in May 1993, an ADM executive named Mark Whitacre returned to ADM's plant. He brought with him two men in busi-

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The Grainmaker

ness suits. Whitacre escorted his guests to the second-floor executive conference room, slipped some slides into a projector and began to give a presentation. But that was just a ruse, in case another employee opened the door.

Several months before, Whitacre had been recruited as an informant for the FBI, which suspected ADM of engaging in illegal price-fixing. Since then, he'd been leading a double life—carrying recorders concealed in his coat pocket and briefcase, tipping off the Bureau about hotel rooms where meetings were to take place so agents could plant video cameras beforehand. So while Whitacre pretended to give his presentation, his two associates—actually FBI agents—quietly removed a ceiling panel and wired surveillance equipment.

Two days later, Whitacre, ADM vice-chairman Michael "Mick" Andreas—Dwayne's son and widely assumed successor—and another ADM executive met with two officials from Ajinomoto, a Japanese competitor in the feed additive business. At lunchtime, they were joined by Dwayne Andreas himself. Mick filled him in on the discussion, and, after the meeting, Whitacre delivered the tape.

On the evening of June 27, 1995, two FBI agents showed up with a search warrant at the door of Andreas's mansion along Lake Decatur. Even as the mogul ushered them in, other agents were serving search warrants at the homes and offices of other ADM officials. Meanwhile, at the Decatur Country Club, agents grabbed Whitacre, who was having dinner with a colleague, and made a show of escorting him off for questioning. But the FBI's attempts to shield Whitacre came to naught. The next day, the mole bumbled and blew his cover while talking to one of ADM's attorneys.

Almost instantly, an awesome array of East Coast muscle went to work defending ADM and Andreas—including the New York-based private detective agency Kroll Associates and Williams & Connolly, the Washington law firm of the now deceased Edward Bennett Williams. The strategy was not subtle: Portray Mark Whitacre as an agribusiness version of Mark Fuhrman. Destroy his credibility.

Soon after, the company fired Whitacre and three other company officials, accusing Whitacre of embezzling \$9 million, much of which was amassed in offshore bank accounts. Whitacre, who'd neglected to tell his FBI handlers about his disputed hidden fortune until just before the allegations broke, cracked under the pressure. He went into the garage of his mansion outside Decatur—which he'd purchased

from Andreas—and tried to kill himself with car fumes. (He was rescued by his gardener.)

But ADM continued to go after him. In a September 13 speech at Emory University in Atlanta, board member F. Ross Johnson publicly ridiculed Whitacre, suggesting that he had faked his suicide attempt. "He did it in a six-car garage, which, I think, if you're going to do it, is a great place to do it," Johnson said, according to *Fortune* magazine. ADM filed a lawsuit against Whitacre in Switzerland, seeking to seize his bank account there. Whitacre denies that he embezzled any money; he claims the offshore bank accounts contain under-the-table payments that ADM routinely made to him and other top executives to help them avoid taxes.

Andreas insists that he is unfazed. "There are 208 price [fixing] investigations going on in the United States, and we are one of them," he says. "The only difference is that the media got ahold of ours." Besides, he says, due to the heavy trading in grain products worldwide, "it's impossible to fix prices in our business."

Yet even as Andreas talks, aides scurry in and out of his office, marshaling copies of articles about Whitacre. "What was it they called him?" Andreas asks sarcastically. "They had a glorious word for it. Not a squealer. What the hell did they call him?" Finally, after a phone call to a subordinate, his memory is jogged. "Whistle-blower," he laughs.

The stakes are high for ADM: As this article went to press, no charges had been filed against the company, but grand juries in several cities have been pondering the fruits of a broad three-year Federal investigation. That has stirred some large investors to ask discomfiting questions of an executive unused to being second-guessed. They questioned whether the wizard's board, stacked as it was with relatives and political friends, exerted any meaningful oversight over him. "Andreas is far more secretive than most CEOs," complains Anne Hansen, deputy director of the Washington-based Council of Institutional Investors.

Andreas has responded with typical elusiveness. In April he bowed out of a scheduled appearance before a group of institutional investors in Washington; the three subordinates he sent in his stead scarcely mentioned the investigations, even as the investors pressed for assurances that ADM would appoint some independent directors to the board. A few days later, ADM announced its three new board nominees—including John Block, the former Reagan agriculture secretary and old Andreas

acquaintance, and Mollie Hale Carter, daughter of an ADM executive.

Even as he's fending off attacks, Andreas dreams of extending his influence still further. Two days after the ADM annual meeting last October, he slipped into New York to attend a dinner at Council on Foreign Relations, an institution backed by his friends the Rockefellers. The guest of honor was Cuban leader Fidel Castro. Some months before, the ADM chairman had made one of his rare TV appearances on CNN, on a show that his company helps sponsor, to advocate lifting the U.S. embargo against Cuba. His argument? That American companies must establish themselves in the Cuban market before Europeans beat them to it, and that opening Cuba to U.S. capitalism is the surest way to bring democracy to the island. To that end, he actually sent Mother Teresa to Cuba in the mid-1980s. She got to talk to Castro about opening charity homes; Andreas got a connection to Castro.

At the CFR dinner, Andreas sat next to Castro for several hours, discussing the Cuban economy. Afterward, he declared the Cuban leader a knowledgeable businessman. ADM, meanwhile, was looking into refining and exporting Cuban sugar and building a cooking oil plant in Cuba.

Some months later, after Castro ordered his air force to shoot down two civilian planes in international airspace, Andreas told the *Chicago Tribune* that the best way for President Clinton to respond was to "turn loose the embargo immediately and let all American businessmen go in there and buy and sell and make investments."

He remains adamant. "Nixon opened up trade with China, Bush went much further with Russia, Reagan outdid both of them ... but this little island, why? Because every presidential candidate is invited to Miami to make a speech to a handful of rich Cubans, and the candidate says, 'I will never speak to Castro.' The result is that we look to the rest of the world like idiots. Beautiful little island, and we're the only people who won't trade with them."

One can't help noting that, like Andreas, the gray-bearded *presidente* is a holdover from another age, a solitary figure whose contemporaries have mostly passed on and who is struggling to preserve an old world whose boundaries and rules crumble a little more each day. In that sense, at least, the last wise man has found a kindred spirit. **☐**