

# THE CASE FOR DIVERSITY



Companies like Cargill are helping close the economic gap by reaching out to minority businesses.

**P**RINCE GEORGE'S COUNTY, Md. is one of the wealthiest historically black counties in the United States. Even so, roughly half its 2011 housing sales have involved properties that were in foreclosure. "It's not just people making bad decisions," says Dedrick Muhammad, the NAACP's senior director of economic programs. Rather, it's that African Americans lag white Americans in wealth development, access to capital, and financial education.

The statistics are stark. Subprime lending has been five times more prevalent in African-American neighborhoods than white neighborhoods. A 2010 Brandeis University study found that the wealth gap between whites and African Americans more than quadrupled between 1984 and 2007—a gap that has undoubtedly widened since then, given the disproportionate impact the housing crisis and high unemployment have had on African Americans.

With this in mind, the NAACP has revamped many of its economic programs, hoping to bring more visibility to issues of economic equality and improve its constituents' financial know-how. This spring, it launched its Financial Freedom Campaign, which focuses on financial literacy and fair lending practices. Among its first activities: foreclosure prevention events at NAACP chapters across the country, in partnership with national organizations like the Financial Planning Association.

## Navigating the Gulf

Recognizing the challenges facing small businesses, the NAACP recently joined with the National Foundation for Credit Counseling in a series of financial education fairs to help fishermen, shrimpers, and others navigate the claims process following last year's BP oil spill. One woman in Biloxi, Miss. sought counseling in another area: She recently inherited her aunt's beauty salon and was unsure if it made sense to expand. She was directed to

a free class on small-business development. "We show people how to get connected," says Lillian Bowie, the NAACP's director of economic partnerships and development.

Getting connected is a big part of the work done by people like John Taylor, director of supplier diversity at Cargill, a global producer and marketer of food, agricultural, financial, and industrial products and services. The motivation for seeking minority- and women-owned suppliers is simple: "We want to engage individuals within the community in which we live and work."

At a company the size of Minneapolis-based Cargill—which employs 131,000 people in 66 countries—that's a big job. Minority-owned suppliers must have significant capacity to meet Cargill's needs. As a result, smaller companies often become subcontractors or join together to make sure they have what Taylor sees as the necessary "bench strength."

It's gotten easier to find minority-owned suppliers with those qualifications, says Taylor. Many established companies have grown bigger, and others have become more creative in forging partnerships. This trend has produced some big benefits. "Smaller businesses can bring a tremendous amount of innovation to a company like Cargill. Many minority businesses can turn on a dime, and that makes them very advantageous," he adds.

That's the kind of message the NAACP's Muhammad is hoping its new Financial Freedom Campaign will produce. "The only way the country is going to push forward as a whole is by coming together," he says. "Empowering people economically will help us get there." ●

# Diverse talents and fresh ideas.



## Bringing the right ingredients to the table.

Become part of our global **workforce** and **supplier diversity** network dedicated to bringing innovative solutions to our customers in food, agriculture and risk management. At Cargill, we welcome diversity in our employees and suppliers, and take proactive steps to develop a supply base that reflects the communities in which we operate. Your ideas and talents will not only be valued, but will be essential to Cargill's future growth. To learn more, visit [cargill.com/careers](http://cargill.com/careers) or [cargillsupplierdiversity.com](http://cargillsupplierdiversity.com).

In 2009 minority businesses provided corporate America with **\$100 billion** in products and services.

Source: National Minority Supplier Development Council

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