Chapter xx: Offshore Investors (Trillionaires, Billionaires, Food, Chemicals and Pharmaceutical Giants)

Author's Caveat

This work presents the author's research, analysis, observations and opinions about governance, systems, sovereignty, public policy and New Zealand's future.

It is not a statement on behalf of any political party, government agency, legal, medical, financial or professional body. It is not legal, medical, financial, political or other professional advice, and should not be relied upon as such.

The purpose of this work is to encourage systems-based thinking, informed discussion and public participation. Readers are encouraged to consider the ideas critically, undertake their own research, seek appropriate professional advice where required, and form their own informed views.

Views and proposals may evolve as further evidence, feedback and public discussion emerge.

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Strategy, Organisational Performance and Governance Systems

Introduction
CorporationsThis chapter explores the legitimate governance questions about our involvement with overseas organisations – why have them, and what benefits do they provide to our country in the long term? We also have the right to question how Governments have created relationships with trillionaire finance companies, big pharma, war-based investment companies, and food and chemical giants.
This company could be comfortable in Part 1. Governance, here with the finance discussions or in the Economy and Industry Chapter Part 3. They are all interlinked. Each Part delves into the influence of cartels and how the system allows them. For now, we are focusing on how they influence our Finance and banking systems.

We aren't asking this from a conspiratorial view, or about whether these corporations are doing the right thing or not for us, the people and all people. But we need to know whether, from a systems view, NZers have visibility over what we are involved with, and whether it is for the long-term benefit of NZ. Other chapters discuss closer ties where relevant.
Pharmaceuticals, chemical giants (like Monsanto/Bayer), and food giants are deeply interconnected through a highly concentrated, vertically integrated supply chain where a few corporations control everything from seeds and pesticides to processed food products. The merger of Bayer (a pharmaceutical giant) with Monsanto (an agrochemical giant) in 2018 solidified a "poisonous combination" that links human health, agricultural production, and food processing.[1].
Here is how these entities are connected as an overall picture. Then we'll get into the NZ connection.

1. The "Big Ag" and "Big Chem" Nexus

Chemical giants have transformed into "agribusiness" giants, controlling both the seeds farmers plant and the chemicals required to grow them – and the processing chemicals used to prolong shelf life.
Vertical Integration: Companies such as Bayer (which acquired Monsanto), Syngenta, Corteva, and BASF dominate the industry. They sell genetically engineered (GE) seeds—such as "Roundup Ready" crops—that are designed to survive heavy spraying of their own herbicides (e.g., Roundup/glyphosate).
Market Concentration: By 2018, just four firms controlled around 70% of the global pesticide market and a significant share of the seed market.
The Monsanto-Bayer Merger: This $63 billion deal created a behemoth that controls roughly one-quarter of the world's seeds and pesticides, allowing it to dictate agricultural inputs, prices, and product standards.

2. The Connection to Pharmaceuticals

The connection between pharmaceutical companies and agrochemical giants is strong because their technologies and research often overlap (e.g., genetics, chemical compounds).
Bayer: The German giant chemical manufacturer is a prime example, operating simultaneously in pharmaceuticals, consumer health, and agriculture.
Shared Research & Chemical Basis: Historically, many agricultural inputs (pesticides, herbicides) were derived from chemical research similar to drug development.

[1] https://blog.ucs.org/karen-perry-stillerman/what-is-big-ag-and-why-should-you-be-worried-about-them

Veterinary Medicine: Bayer's agricultural and pharmaceutical branches both produce antibiotics for animals, linking industrial farming and human medicine.

3. The Connection to Food Giants (Food Processors & Retailers)

These chemical-agri companies supply the raw ingredients (corn, soy, cotton) that feed into the processed food industry[2].
Seed to Supermarket Control: The same corporations that control the seeds and chemicals (Bayer/Monsanto) also influence what is grown, affecting the nutritional content and environmental impact of food.
Processors and Retailers: While chemical firms dominate the top of the chain, the bottom of the chain is dominated by giants like Tyson Foods, Cargill, and Kraft-Heinz, which process these crops into food products.
The "Food Cartel": A small number of large companies dominate each stage, creating a system where agricultural inputs are bundled with, and sold alongside, food processing 'technologies'[3].

4. Shared Tactics: Lobbying and Science Manipulation

All three sectors often use the same strategies to protect their market share:
Revolving Door: Former regulators often become lobbyists for these industries, and vice versa.
Disinformation: Similar to Big Oil and Big Tobacco, "Big Ag" has been accused of denying science regarding the health risks of products like glyphosate (Roundup), which the WHO has classified as "probably carcinogenic to humans". Remember, Big Pharma are currently the biggest funder of the WHO.
Patent Control: These companies strictly enforce seed patents, prohibiting farmers from saving seeds and forcing annual repurchases.
Shared Ownership: Many of the world's largest food and drug companies share the same institutional shareholders, meaning the same investors profit from both the sale of highly processed foods[4] and the medications used to treat resulting chronic conditions, such as diabetes.
The Food-Pharma Nexus: Researchers use this term to describe a symbiotic relationship[5] Where food-induced illnesses sustain pharmaceutical profits, while pharmaceutical interventions enable continued reliance on unhealthy food systems.
Agricultural Inputs: The pharmaceutical industry provides essential chemicals to the food industry. Over half of all medically important antibiotics sold in the U.S. are used in livestock farming to boost growth and prevent disease in industrial settings.
Nutraceuticals and Supplements: Many "Big Pharma" companies, such as Pfizer and GSK, have expanded into the $39 billion supplement and "functional food" market, using their chemical labs to produce vitamins and herbal products labelled with natural marketing terms.

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[2] Read The Chemical Maze Bookshelf Companion. Your Guide to Food Additives and Cosmetic Ingredients by Bill Statham 2006. A brilliant book that makes these links.
[3] Food processing 'technologies' means the chemicals they use to prolong the shelf life of fresh food and chemicals use to bulk up and prolong the life of processed foods.
[4] https://www.responsiblefoodbusiness.org/insights/big-pharmas-hidden-role-in-the-food-industry
[5] https://armgpublishing.com/wp-content/uploads/2025/04/HEM_1_2025_3.pdf

Lobbying and Regulation: These industries often employ similar tactics, such as lobbying government panels[6] and funding research, to influence dietary guidelines and safety regulations that protect their profit streams.

Companies that Overlap

The following parent companies represent the most significant overlaps between the food, chemical, and pharmaceutical sectors:

1. Bayer (The Direct Hybrid)

Since acquiring **Monsanto**, Bayer is the most prominent example of a company that controls both the "input" (seeds/chemicals) and the "solution" (medicine).

Agricultural/Chemicals: Owns the Monsanto portfolio, including Roundup (glyphosate), genetically modified seeds (DeKalb), and various crop fungicides and insecticides.

Pharmaceuticals/Consumer Health: Produces Aspirin, Claritin, Aleve, Alka-Seltzer, and MiraLAX, alongside prescription drugs for cardiovascular disease and diabetes.

2. Nestlé (The Food & Health Giant)

Nestlé is the world's largest food company, but has aggressively expanded into "medical nutrition" and pharmaceuticals.

Food & Beverage: Nescafé, KitKat, Gerber, Maggi, Stouffer's, Hot Pockets, and DiGiorno.

Health & Pharma: Owns **Nestlé Health Science**, which produces medical-grade supplements and treatments for metabolic and gastrointestinal health. It also held a major stake in L'Oréal, which in turn has pharmaceutical ties.

3. Johnson & Johnson (Consumer Health & Drugs)

While they recently spun off their consumer health division (now **Kenvue**), J&J's legacy remains the blueprint for the food-pharma crossover.

Brands: Band-Aid, Listerine, Neutrogena, Tylenol, and Motrin.

Pharma: Produces massive-revenue drugs like Stelara (immunology) and Tremfya.

4. Unilever (Food & Chemical Processing)

Unilever is a dominant force in both the grocery aisle and the chemical-heavy personal care industry.

Food: Hellmann's, Knorr, Ben & Jerry's, and Magnum.

Chemicals/Personal Care: Dove, Axe, Sunsilk, and Rexona.

5. PepsiCo & Coca-Cola (The "Big Two" of Processed Food)

While they do not produce pharmaceuticals directly, they are often cited in "Food-Pharma Nexus[7]Research due to their control over global consumption of sugar and additives.

PepsiCo Brands: Lay's, Doritos, Cheetos, Quaker Oats, Gatorade, and Mountain Dew.

Coca-Cola Brands: Sprite, Fanta, Dasani, Minute Maid, and Powerade.

6. The "Big 10" Food Conglomerates

The remaining giants that control the majority of supermarket brands include:

Mondelez: Oreo, Cadbury, Toblerone, and Ritz.

Mars: M&M's, Snickers, Skittles, and Uncle Ben's (plus major pet food brands like Royal Canin).

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[6] https://www.responsiblefoodbusiness.org/insights/big-pharmas-hidden-role-in-the-food-industry

[7] https://invisiblyallergic.com/2022/02/05/biggest-food-companies-that-control-the-worlds-food/

General Mills: Cheerios, Yoplait, Nature Valley, and Häagen-Dazs.
Kellanova (formerly Kellogg's): Pringles, Cheez-It, Pop-Tarts, and Eggo.
Kraft Heinz: Heinz Ketchup, Kraft Mac & Cheese, Jell-O, and Oscar Mayer.
In essence, the connection is a closed loop: pharmaceutical/chemical giants create pesticides and patented seeds that industrial farms use to produce ingredients for food giants. At the same time, they lobby to keep the system in place.
The connection between pharmaceutical, chemical, and food giants is solidified by a small group of institutional asset managers, often called the **"Big Three"**: **BlackRock**, **Vanguard**, and **State Street**.
These firms collectively own nearly **20%** of major pharmaceutical companies, exceeding the share of any other single shareholder and giving them unmatched influence over corporate boards.

Shared Ownership in 2026

In 2026, these three asset managers remain the top shareholders across almost all major global conglomerates, effectively acting as a "common owner" that bridges the gap between what we eat, the medicines we take, and the poisonous chemicals used in food production, industry, agriculture, and horticulture.

Company	Sector	Top 3 Institutional Shareholders (Current)
Pfizer	Pharma	**Vanguard**, **BlackRock**, **State Street**
Johnson & Johnson	Pharma/Food	**Vanguard**, **BlackRock**, **State Street**
PepsiCo	Food/Bev	**Vanguard** (9.7%), **BlackRock** (8.2%), **State Street** (4.2%)
Unilever	Food/Chem	**BlackRock** (7.7%), **Vanguard** (5.3%), **State Street**
McDonald's	Food	**Vanguard** (10%), **BlackRock** (7.3%), **State Street** (4.9%)
Merck & Co.	Pharma	**Vanguard**, **BlackRock**, **State Street**

Key Impacts of Shared Ownership

Reduced Competition: Because the same investors own stakes in competing firms (e.g., both Pfizer and Merck, or both PepsiCo and Coca-Cola), there is less incentive for these companies to engage in aggressive price wars that would hurt the overall portfolio of the "Big Three".

Policy and ESG Influence: Through "stewardship teams," these investors engage directly with boards to influence corporate strategy, executive pay, and environmental or social goals, often casting 25% of all proxy votes in major elections. In New Zealand, we are currently fighting the GMO Bill; now you see how it all links.

The "Circular" Economy: This ownership structure creates a mutually beneficial cycle where the same investors profit from the production of processed foods (Big Food), the chemicals used to grow them (Chemical Giants), and the drugs required to treat the resulting chronic illnesses (Big Pharma).

The "Big Three" Ecosystem
A unique feature of this system is that these firms also own pieces of each other. For example, Vanguard is the largest shareholder of BlackRock (approx. 9.04%), and State Street also holds a substantial stake in BlackRock. This interconnectedness makes it nearly impossible for any single entity to act against the collective interests of the broader financial block.

How NZ Fits into the Picture

NZ governments don't take orders from global corporations — but they often contract with them, behind closed doors, through the Executive (the PM and senior Ministers of the main party). The government and parliament regulate alongside them, rely on them, and often negotiate with them in asymmetrical power relations.[8] relationships.

What Counts as "Significant Ownership" in New Zealand?
In New Zealand, any investor who owns 5% or more of a publicly listed company must legally disclose that holding to the NZX. This is called a Substantial Product Holder (SPH) notice. That means if an investment manager crosses 5%, the public is notified. If they drop below 5%, that is also disclosed. Holdings under 5% are generally not publicly reported in detail.

Why 5% matters:

- 5% is large enough to be considered meaningful.
- It allows the holder to vote on a significant block of shares.
- It may influence shareholder meetings.
- It signals long-term institutional interest.

It does **not** mean:

- The investor "controls" the company.
- They own a majority.
- They run day-to-day operations.

Most global investment firms — such as BlackRock, Vanguard and State Street — typically hold minority stakes (5–10%) in many companies, rather than majority control of a single company. Using the 5% rule creates a clean, legally grounded way to measure significant ownership without speculation.

The Sectors That Attract Big Money in NZ

Based on disclosed substantial holdings, large global asset managers tend to concentrate in: Core Infrastructure, including airports, Telecommunications networks and infrastructure investment companies. These assets are:

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[8] Asymmetrical power is a power relationship that is imbalanced. Power sharing is the very spirit of democracy. So in this case those affected by decisions are not consulted, are kept in the dark about the decisions and the consequences on their lives. Where power is unevenly distributed among different groups, organisations or within society. Inequality often stems from factors such as gender, age, socioeconomic status, religion, ethnicity, sexual orientation or ability. In reality it shows as restrictions in; involvement, movement, influence, participation, decision making, sharing resources, information, monetary resources etc.

Long-term
Cash-generating
Essential to national functioning
Large enough to enter global index funds

Utilities & Defensive Sectors
Energy
Telecom
Health distribution
Defence contracts
Consumer staples (e.g. dairy/nutrition brands)
These are stable, less cyclical businesses.

Large-Cap, Index-Eligible Companies
Most holdings are NZ companies that are included in global equity indices, have sufficient liquidity, and meet institutional governance standards. This is important; the investment is often driven by index inclusion rather than strategic takeover intent. In other words, these managers are usually investing because NZ companies are included in global benchmark indices — not necessarily because they are targeting NZ specifically. Influence arises not from ownership control, but from:
Coordinated voting patterns
Governance expectations
ESG frameworks
Capital flow dependency
Board engagement norms

This is a system effect, not a secret takeover. Where it becomes a conflict, of course, is when these big finance firms sit on Government Boards and influence policy decisions, i.e., the Reserve Bank and the Treasury.

Below is a clean “≥5% disclosed ownership” table (NZ’s Substantial Product Holder threshold), followed by sector patterns. This is the cleanest public dataset because 5%+ must be disclosed; below 5% often isn’t visible.

Clean table: NZX-listed companies where BlackRock / Vanguard / State Street vehicles have disclosed ≥5%

NZ industry/sector	***Company (ticker)***	***Manager / disclosed holder***	***Disclosed %***	***Date of disclosure***	***Notes***
Telecommunications	*Spark NZ (SPK)*	*BlackRock, Inc. & related bodies corporate*	***9.080%***	*16 Feb 2026*	*Movement notice (still substantial).*
Airports / Infrastructure	*Auckland Airport (AIA)*	*BlackRock, Inc. & related bodies corporate*	***8.173%***	*8 Jan 2024*	*Movement notice (still substantial at that time).*

NZ industry/sector	***Company (ticker)***	***Manager / disclosed holder***	***Disclosed %***	***Date of disclosure***	***Notes***
Infrastructure investor	*Infratil (IFT)*	*BlackRock, Inc. & related bodies corporate*	***5.919%***	*27 Nov 2024*	*"Beginning to have" a substantial holding.*
Health distribution/pharma & animal health supply	*EBOS Group (EBO)*	*BlackRock, Inc. & related bodies corporate*	***5.029%***	*5 Jun 2023*	*"Beginning to have" a substantial holding.*
Telecoms infrastructure	*Chorus (CNU)*	*The Vanguard Group, Inc.*	***5.474%***	*24 Sep 2025*	*"Beginning to have" a substantial holding.*
Dairy/consumer nutrition	*a2 Milk (ATM)*	*The Vanguard Group, Inc.*	***5.001%*** *(last disclosure)*	*20 Mar 2024*	***Ceased*** *to be substantial shortly after (down to 4.982%).*
Tech / SaaS (fleet & compliance)	*EROAD (ERD)*	*State Street Australia Ltd ACF (Australian Ethical Investment)*	***12.90%***	*18 Aug 2025*	*The substantial holder is a State Street vehicle (per the notice).*

*Practical note for readers: this table is "**what must be disclosed**." It **does not capture** holdings below 5% (which can still be large in dollar terms).*

Sector patterns

1) They cluster in "systemically important" backbone sectors

The disclosed ≥5% positions above show repeated exposure to:

- Telecom networks & connectivity (Spark, Chorus)
- National infrastructure (Auckland Airport; Infratil as an infrastructure investor)
- These are "long-duration" assets that suit index/global funds (stable cash flows, essential services, large market caps).

2) They appear in "export-facing / consumer staples" too

A2 Milk (consumer dairy/nutrition), meat processing, egg production and wholesalers, and **EBOS** (health distribution) show that exposure isn't only "roads-and-wires"; it also shows up in **defensive / staple-like** companies.

3) "Majority ownership" isn't the story — cross-cutting minority stakes are

In every example above, these are **minority stakes** (often ~5–9%). The influence mechanism is typically many meaningful minority holdings across the economy, rather than control of any one company. (The legal disclosures above illustrate that pattern directly.)

4) State Street (Bill Gates) shows up differently
In NZ, State Street frequently appears through vehicles/custody structures. The EROD/State Street ACF disclosure is a clear case where the substantial holder is explicitly a State Street vehicle (as named in the notice). That's where risk lives in the non- descript ownership entities that dominate sectors without transparency.

1. How NZ is linked to "Big Pharma"
The formal link: procurement + regulation
NZ is influenced by the WHO, which is funded significantly by Big Pharma. NZ is involved further through:

- Medicines are purchased via PHARMAC (bulk buyer model)
- Medsafe must approve drugs
- Pricing power is constrained compared to many countries

Where influence still enters

- Global supply chains → NZ is a price-taker, not a price maker
- International clinical trial data → NZ relies on overseas evidence, sound or otherwise
- Trade agreements → can restrict future policy choices
- "Revolving door" expertise → officials are trained within global pharma norms; hence, our senior health officials have clear connections.

Key point:
The system is flawed because influence is **structural and upstream** rather than directive; transparency is obsolete.

3. Big corporate entities and "international oligarchies"
NZ is linked to global corporates through:

- Trade agreements
- Foreign investment
- Financial markets
- Professional services
- Infrastructure outsourcing

Examples:

- Big banks dominate NZ lending (mostly Australian-owned[9])
- Infrastructure projects rely on global engineering firms
- Digital systems depend on multinational tech providers

This is **economic dependency**, not governance takeover.

A. Universal Ownership
BlackRock, Vanguard, and State Street often appear as:
Top 3 shareholders in **defence companies**
The top 3 shareholders in **banks**

[9] In reality the four big Australian banks are owned by big investors like JP Morgan, Citicorp, Rio Tinto, Vanguard and Vanguard are the biggest investor in the Australian banks especially in the Commonwealth Bank, ANZ group while they do not run the banks they exercise significant voting on Board elections and major corporate resolutions.

Top 3 shareholders in **tech giants**
Top 3 shareholders in **energy companies**
Pharmaceuticals, Industrial chemicals, and food and seed crops are all commonly owned. This creates what economists call “common ownership.” It means: The same financial institutions have stakes across entire industries. It creates alignment through incentives, control and influence.

4. The Real Mechanisms of Influence
a) Agenda-setting, not commands.
They Also Operate Directly in NZ Financial Markets, e.g. BlackRock and Vanguard products are accessible in NZ through:
- KiwiSaver funds
- Managed funds
- ETF offerings
- Institutional mandates

Corporations' influence on issues and topics such as:
- What is considered “feasible” for infrastructure developments
- What risks are prioritised for their financial benefit
- What timelines are “realistic” according to their investment plans

They don’t write laws, but they influence through:
- Policy papers and “expert” commentary
- Industry-funded research
- Think tanks and advisory groups
- Lobbying framed as technical advice
- Media language repetition
- Economic modelling assumptions
- Regulatory impact statements
- International agreements drafted with embedded frameworks
- None of that requires writing legislation in secret.

They shape what policymakers think is ‘reasonable’, except that most policymakers, i.e., the government, are not business- or investment-savvy, nor do they understand complex economic policy. The system has unintentionally left NZ exposed to overseas influencers.

b) Information asymmetry[10]

The government has less data, moves more slowly, and rotates staff.

Corporations have specialist knowledge, permanent lobbying capacity and long institutional memory. This skews negotiation power. Because structural dominance isn’t just about:
- Who owns what
- Who sits on boards

[10] This is especially used in economics and contracts where one party in a transaction possesses more information than the other, potentially leading to an imbalance in decision making. Can NZ trust its contracted partners?

Who funds campaigns

It's about who defines:
The terms of debate
The limits of potential/possibilities
The language of "responsibility"
The meaning of "economic realism"

c) Soft power and "expertise capture" by oligarchies happen through...
Advisory panels
Consultancy reports
International benchmarking
"Best practice" frameworks

This is **epistemic capture.**[11], not bribery.

5. What NZ's weak parliamentary system allows is for
corporate voting power
direct corporate lawmaking
corporate control of the Executive
corporate override of courts
When people feel otherwise, it's usually because **processes are opaque**, not because sovereignty vanished.

6. Where democratic accountability actually breaks

Area	**What weakens accountability**
Procurement	Commercial confidentiality
Trade deals	Executive-first negotiation
Defence	Security secrecy
Health	Reliance on global data
Regulation	Revolving expertise
Finance	Market dependency

The Structural Influence Question

The big power brokers of global investment are interesting to understand. Not because they secretly coordinate outcomes, but because of how capital concentration works. Here's how it plays out in reality that hits NZers in the back pocket:

3. FINANCE — Banks, markets, and global capital power
The three large asset managers we're discussing are:
BlackRock
Vanguard Group

[11] "Different systems don't just make decisions differently — they actually decide 'what counts as truth' differently. That's their epistemic culture."

State Street Corporation

They relate to New Zealand's banking and finance system in three main ways:

They Do Not Own NZ Banks Directly (in a controlling sense)

New Zealand's major banks are:

ANZ Bank New Zealand
ASB Bank
Westpac New Zealand
Bank of New Zealand

All four are subsidiaries of Australian parent banks:

ANZ Group (Australia)
Commonwealth Bank of Australia (CBA)
Westpac Banking Corporation
National Australia Bank (NAB)

So structurally, NZ retail banking → owned by Australian-listed banks → owned by global shareholders. The "Big Three" asset managers (BlackRock, Vanguard and State Street) typically hold significant shareholdings in those Australian parent banks, rather than directly in NZ subsidiaries.

That's the key linkage. They Are Major Shareholders in the Australian Parent Banks

Because ANZ, CBA, Westpac and NAB are publicly listed on the ASX, global index funds hold them. BlackRock, Vanguard, and State Street frequently appear among the top institutional shareholders of these Australian banks.

This happens because:

These banks are part of global financial indices.
Passive funds tracking those indices must hold them.
The asset managers, therefore, become major shareholders.

So indirectly:

NZ mortgages
→ generate profit
→ flow to Australian parent banks
→ dividends paid to global shareholders
→ including BlackRock, Vanguard, and State Street funds.

That is capital flow structure — not operational control.

BlackRock, in particular, operates iShares ETFs that are commonly held by NZ investment platforms. State Street also operates custody and asset servicing functions globally and interacts with institutional capital flows into and out of NZ markets.

This means:

NZ retirement savings are:
→ often invested in global index funds
→ managed by the same large asset managers
→ who also hold stakes in NZ banks' parent companies.

This creates financial circularity.