Why Antitrust Laws Matter for Agriculture and Food

By: Food & Water Watch

Non-existent enforcement by the USDA and the Justice Department has allowed abusive treatment of farmers to flourish. The federal government's unwillingness to challenge the growing consolidation in agricultural and food markets has allowed a corporate transformation in the structure of the food system.

Every link in the food chain is controlled by just a handful of companies:
- The top four largest pork packers control 71 percent of the market.
- The top four beef packers control 85 percent of the market.
- The top four flour mills control 64 percent of the market.
- The top four fluid milk processors control 50 percent of the market.
- A wave of mergers among global seed and crop-chemical firms has led to three companies controlling nearly two-thirds of the world's commodity crop seeds and nearly 70 percent of all agricultural chemicals and pesticides.

In the United States, the four largest corn seed sellers accounted for 85 percent of the market in 2015, up from 60 percent in 2000. Over the past 20 years, the cost for an acre's worth of seeds for an average corn farmer has nearly quadrupled, and the cost of fertilizer has more than doubled. Yet corn yields increased only 36 percent over that time, and the price received for the sale of a bushel of corn increased only 31 percent.

- The growing scale of cross-border agribusiness and food mergers have put foreign firms, often with considerable government backing, into dominant positions in the United States' beef, hog, poultry, seed, fertilizer and agrochemical sectors.
- The farmer's share of every retail dollar has plummeted from 41 percent in 1950 to approximately 15 percent today, while the share for farm input, marketing and processing companies has risen.

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Restore Competition
To restore competition in the agricultural economy and to increase the bargaining power and enhance economic prospects for family farmers, the trend toward concentration must be reversed. Farmers and consumers need real antitrust enforcement once and for all.

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To learn more about how to restore competition in our food system, go to https://www.foodandwaterwatch.org/problems/corporate-control-food.