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How power is created and exercised—often invisibly

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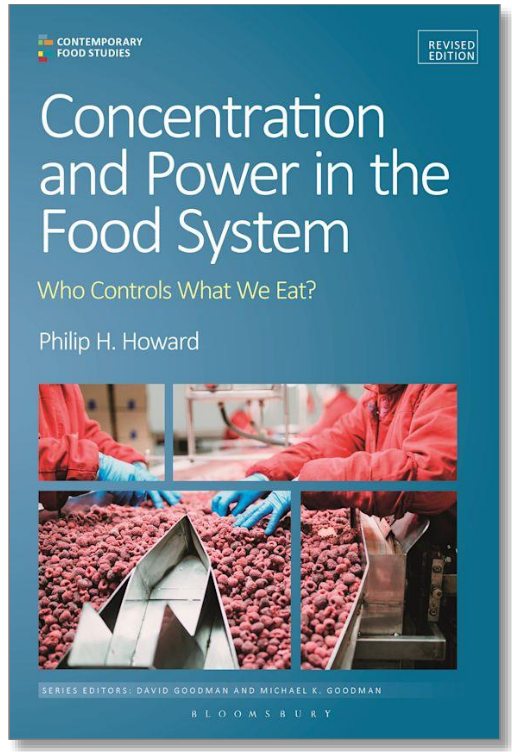

Review of *Concentration and Power in the Food System: Who Controls What We Eat? Revised edition,* by Philip H. Howard. (2021). Published by Bloomsbury Academic. Available as hardcover, paperback, and e-book; 232 pages. Publisher's website: https://www.bloomsbury.com/us/concentration-and-power-in-the-food-system-9781350183070/; author's website: https://philhoward.net/

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The steady drumbeat of headlines this year revealing the harms caused by concentrated ownership in the food system (Anderson & Weaver, 2022; Gutman, 2022; Hope-D'Anieri, 2022; Krupnick, 2022; Qiu, 2022; Snodgrass, 2022) shows renewed interest in a topic that was a central concern of American politics in the late 19th and early 20th centuries. The revised edition of Philip Howard's *Concentration and Power in the Food System* comes just in time to help us understand not only the degree and nature of concentration in our food system, but also how various kinds of concentration enable the exercise of power in ways that were unanticipated by earlier anti-trust legislation and which need to be addressed in new ways.

Chapter 1 introduces basic concepts about how market concentration is understood and measured, along with some of its consequences. Howard, working from a political economy perspective, points out that the effects of concentration are broader than those measured by economic criteria and argues that these effects, along with the supposed efficiencies, need to be better documented. His descriptions of how firms maneuver to increase and exercise their power over consum-

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ers, other producers, and regulatory environments supports a counter-argument to claims that concentration is a natural and desirable step in the direction of greater efficiency.

Chapter 2 describes how anti-trust legislation enacted in the late 19th and early 20th centuries to prevent concentration in the food system was weakened and undermined in the 1970s following heavy investment by industry to influence conservative politicians and federal judges. To the extent that regulators were paying attention to concentration, they were focused on its effects on consumer prices. What they were not paying attention to was the shift in power toward retailers, such as Walmart, which by 2018 had captured one quarter of the food retail market, more than twice its closest competitor, and whose overall annual sales are larger than the GDP of all but 23 countries. As such retailers gained market share, they became increasingly able to depress the prices they pay to their suppliers, as well as wages they pay to their employees, and to force changes along the entire supply chain.

A valuable aspect of this book for both scholars and regulatory activists is Howard's attention throughout the work to the inadequacy of current regulatory approaches for addressing modern forms of concentration. In the case of retail, for example, in addition to controlling greater shares of the food retail market, the top firms have also become increasingly vertically integrated, extending their control of supply chains by owning processing facilities and contracting directly with farmers. This type of concentration flies under the radar of concentration ratios based on horizontal integration. When these same firms are also major players in completely different industries, ranging from entertainment to finance, their ability to cross-subsidize further depresses competition and diminishes their need to innovate.

Chapter 3 focuses on distribution, which, while less concentrated than either retail or processing, has become increasingly dominated by a small number of large firms whose size enables them to serve and maintain some leverage with large retailers, as well as to force down prices paid to suppliers. As these large distributors become less responsive to the needs of their smaller customers, there may be an opportunity for local values-based supply chains to gain some ground, especially with institutional buyers that are susceptible to public pressure and local politics.

In Chapter 4, on packaged foods and beverages, Howard illustrates the stark changes of recent decades. Whereas Pabst's attempt to purchase another brewery in 1959 was blocked by regulators because it would have given Pabst a 4.5% market share—a ruling upheld by the Supreme Court in 1966 in order to prevent "concentration of the beer industry into fewer and fewer hands" (p. 58)—today the top two firms control more than 60% of the market. Some beer companies, taking a page from Nike's playbook, do not own any breweries, but acquire brands and contract with brewing facilities to produce their various beers. On Howard's website,[1] readers will find even more detailed information about how the growing popularity of craft beers has disguised concentration in the industry as large firms retain the names of acquired companies—a practice exemplified by AB InBev, which owns more than 500 brands. Other case studies in this chapter include soy milk, for which more than three quarters of the market is controlled by a single firm (White Wave), and bagged salad.

Chapter 5 describes how the several large firms that dominate commodity processing are able to manipulate prices. As the ownership of processing facilities has become more concentrated, the number of facilities has declined and become more geographically concentrated, leading to regional monopolies. Howard's description of how the dominance of several large firms at multiple stages in the supply chain has eliminated the operation of market forces shatters the notion that markets and regulation are in conflict. Rather, Howard's work provides strong support for the argument that regulation is necessary in order for markets to work as they are supposed to.

Howard also describes the political influence of grain-trading firms, especially how they have been able to influence international trade policy

[1] https://philhoward.net/

and food aid, and points out that the same few companies that dominate the processing market for each of the major commodities are also active in financial speculation on these commodities.

Chapter 6 describes how government support, including subsidies and research, has driven a resource-intensive model of overproduction that gives input providers the benefit of high sales and processors the benefit of low prices. Public support flows through farmers' hands to input providers as the farmers are caught on a treadmill: producing increasing volumes of food at consequently diminishing prices and falling further behind the faster they run. As more of them fall off, farms become fewer and larger. Howard details a variety of strategies that companies use to diminish farmers' bargaining power while pushing them to take on a greater share of investment and risk. As solutions, he mentions the EU policy of gearing subsidies toward environmental stewardship and rural development rather than production, and the American niche strategy of direct-to-consumer sales.

Chapter 7 pairs well with Vandana Shiva's work. Here, Howard draws a parallel between the enclosure movement in Britain and the contemporary process whereby input providers have strengthened their control over the food system by establishing intellectual property rights over plant and animal genetics in a context of diminishing diversity. He describes the merger of seed and chemical companies and tells the story of the first fully patented genetically engineered crop, Monsanto's Roundup Ready soybeans, which were developed for use with their glyphosate herbicide Roundup. The seeds are sold not as a product to be fully owned by the customer, but under license, enabling Monsanto to enforce various contractual obligations on the farmers, including the use of its herbicide and an aggressively enforced prohibition on saving seeds. Such maneuvering enabled Monsanto to maintain an 80% share of the glyphosate market even 6 years after its patent expired.

This chapter also touches on how increasing computerization in the highly concentrated equipment industry and the leading companies' control over data platforms makes it hard for farmers to switch hardware and exposes them to new forms of dependency. Howard's warnings and framing of this problem will pair well with Cox's forthcoming work (in press) on the role of open-source technology in building a just and sustainable food system.

Chapter 8 describes the corporate take-over of the organic sector, highlighting the role of venture capital in pushing consolidation. As with previous chapters, this one includes an abundance of information on mergers and acquisitions. Howard's excellent infographics unfortunately are printed such that they are too small to read, but they can be found on his website.

Like many academic works analyzing problems, this one is a bit short on solutions. Popular countermovements and direct-to-consumer marketing are offered as suggestions but are not explored in depth and remain unconvincing in the face of the author's own portrayal of extremely concentrated corporate control. Perhaps Howard is too aware of the power of agribusiness over public institutions to believe that sweeping regulatory change is possible, but his book makes it seem urgently necessary—if only to create space for grassroots alternatives.

Concentration in food and agriculture has long been a topic of interest for rural sociologists and human geographers. This well-referenced book draws on both classic works and leading contemporary scholars to bring readers up to speed on this subject. Howard's original contribution is twofold: First, he meticulously documents contemporary concentration in the food system, including its less obvious forms. Second, he describes how this concentration enables—and is intended to enable—the exercise of power. His clear, direct writing style will make both the facts and the concepts accessible to students, journalists, activists, and lawmakers, giving them the tools they need to talk about and understand economic power.

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