



Too Big to Fail?
The Concentration of Control and Power over our Food and Farm Markets

Moderator:

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Speakers:

Dr. Frederick Kaufman, *author, Bet The Farm, NY*

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Introduction

How corporate dominated tables have changed the food system, narrowed the range of public goods within it.

Barry Lynn

Investigation of the resiliency of systems and the dangers of concentration.

Compartmentalization enables resistance to shocks to the system. More localized systems limit shocks and disruptions.

Noteworthy to look at disruptions to the supply chain caused by natural and human-caused disasters. After 9/11, the industrial system shut down for a time – not really noticed at the time. September 2008: Financial shock has huge effects of the supply system. Japanese earthquake/tsunami: Philadelphia Federal Reserve measures the biggest drop in US production due to event in Japan. SARS: led to incipient breakdown of supply chain.

How did we get to this point? Problem caused, not by a just-in-time production system, but by the monopolization and concentration of power (and risk). Bad politics leads to bad engineering.

Reasons for hope:

- Opportunities to restore open markets
- Diamond shaped supply chains (to replace pyramid shaped)
- New information systems/new journalism

Distribute power, distribute risk

Frederick Kaufman

Began investigation by focusing on hunger. 2008 saw huge increase in global hunger (from 600-700 million to over 1 billion). Impact of global commodities market and speculation on food system. Food systems and financial systems, particularly commodity markets (and the role of derivatives).

Richard Levins

Corporate concentration is the common denominator. Steady march of mergers and acquisitions.

How do we handle this issue of corporate concentration?

While only 6% of the income of the most wealthy 20% of the population goes to food, 36% of the income of the least wealthy 20% does.

Need to understand food retailing much better than we do.

Questions/Discussion

How can we as a community be more coordinated and effective as a movement? How can we build power across efforts?

Fragmentation of the food justice movement is a serious problem. Common ground often isn't recognized.

We need to be honest about the political magnitude of the problem of concentration. Every sector of the economy is becoming more concentrated. What this means, however, is that there will be allies from other sectors.

How do we understand the corporate concentration of communications about the food system? The narrative that dominates, the massive communications campaigns, focus on supporting "unsustainable agriculture."

There is a triple threat of unrestricted lobbying; unrestricted advertising; and unrestricted purchase of research at public universities. This blunts the capacity of broader publics to advocate...

There will be more crises. With plans in hand for dealing with future crises, then the next time we can be more prepared to intervene and correct current imbalances.

How does sustainable agriculture go up against giant retail (where products are continually "redefined" to fit global distribution systems – the "organic macaroni and cheese" phenomenon).

Anti-trust is the best solution. If you don't take the power out of the retail sector, it won't change.

Structural reforms are necessary. How do you build a strategic plan to advance structural reforms?

E.g. low wages of food system workers create affinities with labor movement. Food insecure populations and lower wage earners are significant and insufficiently mobilized populations.

Entrepreneurial class (small business owners) is a very different group that has been negatively impacted by concentrated power; but also politically potent.