Consolidation in America's Food Supply Chains:
A Key Factor in Price Gouging, Shortages, and Inequality

Statement for the
House Judiciary Committee
Subcommittee on Antitrust, Commercial and Administrative Law

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FOOD SYSTEM CONSOLIDATION IS A DANGER TO ALL AMERICANS

The COVID-19 pandemic has put America's flawed food supply chains in the national spotlight. Disruptions caused by the virus have affected just about every link in the food supply chain and have caused a variety of harms to consumers, workers, farmers, and the public as a whole. Just over the past two years, these harms included:

- Food corporations failed to protect their workers from contracting and dying from COVID-19. Some 86,000 meatpacking workers contracted COVID-19 and 423 died.[1]
- Sicknesses shuttered plants and at one point shut down 25% of pork processing in the U.S.[2] Few plants control much of the meat supply, for instance, a little more than 50 beef plants process 98% of all beef in the U.S.[3]
- Specialized supply chains designed to move foods to schools and restaurants struggled to meet spiking demand at grocery stores, wasting food while leaving shelves empty.
- Cattle farmers saw prices drop even as food prices for consumers spiked.
- Net profit margins at meatpackers and other food corporations skyrocketed, suggesting that companies are not just passing increased costs onto consumers but padding their pockets in the process.

Corporate consolidation plays a central role in creating or exacerbating every one of these issues. Just a handful of corporations control critical junctures in the U.S. food supply chain, from seeds and fertilizers to processing to grocery shelves. This concentration of capacity and control increases supply chain fragility by putting more production in fewer hands and fewer places. This consolidation is also what gives these corporations the market power necessary to dictate prices paid to producers and push down workers' wages, even while they charge consumers more.

Crises present an opportunity to examine and reimagine our economy. Our consolidated food supply chain is not the product of so-called natural market forces trending toward efficiencies of scale. Rather, it is the result of policy choices that made it easy for already giant businesses to merge, overlooked illegal abuses of corporate power, and condoned predatory corporate behavior.

Rebuilding a resilient, sustainable, and equitable food supply chain requires rules of fair competition that encourage businesses to focus on socially beneficial innovation and investing in workers and infrastructure rather than exploiting their brute bargaining power to wring cash out of other people's pockets. It requires strict assurances of safety and dignity on the job as well as

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[1] Sky Chadde, "COVID-19 cases, deaths in meatpacking industry were much higher than previously known, congressional investigation shows." *Investigate Midwest*, October 28, 2021, https://investigatemidwest.org/2021/10/28/covid-19-cases-deaths-in-meatpacking-industry-were-much-higher-than-previously-known-congressional-investigation-shows/

[2] Amelia Lucas, "Meatpacking Union Says 25% of US Pork Production Hit by Coronavirus Closures." *CNBC*, April 23, 2020, https://www.cnbc.com/2020/04/23/meatpacking-union-says-25percent-of-us-pork-production-hit-by-coronavirus-closures.html

[3] Michael Corkery and David Yaffe-Bellany, "The Food Chain's Weakest Link: Slaughterhouses." *The New Yok Times,* April 18, 2020, https://www.nytimes.com/2020/04/18/business/coronavirus-meat-slaughterhouses.html

a living wage for workers. And it requires changes in corporate governance to hold corporations accountable to invest in capacity and act in the interests of the public rather than the interests of financiers.

Certainly, such an economic reorganization extends beyond the work of any one congressional committee. But changes in antitrust policy and practice are essential to break dangerous concentrations of market power and to ensure that markets are structured to build a better economy and society rather than break it down.

FOOD SYSTEM CONSOLIDATION HAS INCREASED DRAMATICALLY

Antitrust scholars generally deem markets "tight oligopolies" if the top four firms control more than 60% of the market.[4] At these levels of concentration, they argue, firms are more likely to abuse their market power and collude on their pricing decisions either through an explicit price-fixing conspiracy or more tacit practices, such as moving as a group or avoiding competition without an explicit agreement to do so.[5] Today, the top four corporations control more than 60% of the U.S. market for pork, coffee, cookies, and bread.[6] The top four corporations control more than 70% of the U.S. market for yogurt, beer, and soybean seeds.[7] And the top four corporations control more than 80% of the market for beef processing, corn seed, soybean processing, baby food, pasta, cereal, soda, and more.[8]

Food markets haven't always been this way. From 1972 to 1992, the average four-firm concentration levels for meat and poultry processing, dairy processing, flour milling, corn milling, feed, and soybean processing rose by 50%.[9] At the same time the number of plants in these industries declined by about one-third.[10] This consolidation has also extended to food retail. From the early 1990s to the early 2000s, Walmart grew from selling no groceries to becoming the largest food retailer in the U.S. Over this same period the top four grocers' market

[4]Maurizio Naldi, Marta Flamini. "The CR4 index and the interval estimation of the Herfindahl-Hirschman Index: an empirical comparison." HAL Open Science, June, 2014, https://hal.archives-ouvertes.fr/hal-01008144/document

[5] George J. Stigler, "A Theory of Oligopoly," *Journal of Political Economy* 72, no. 1 (1964): pp. 44-61, https://doi.org/10.1086/258853. ; William E. Kovacic et al., "Chapter 13 - Coordinated Effects in Merger Review: Quantifying the Payoffs from Collusion," in *Annual Proceedings of the Fordham Competition Law Institute: International Antitrust Law & Policy* (Huntington, NY: Juris Pub., 2007).

[6] Mary K. Hendrickson et al., "The Food System: Concentration and Its Impacts" (Family Farm Action Alliance, November 19, 2020), https://farmactionalliance.org/wp-content/uploads/2021/05/Hendrickson-et-al.-2020.-Concentration-and-Its-Impacts_FINAL_Addended.pdf.; Nina Lakhani, Aliya Uteuova, and Alvin Chang, "Revealed: the true extent of America's food monopolies, and who pays the price." *The Guardian,* July 14, 2021, https://www.theguardian.com/environment/ng-interactive/2021/jul/14/food-monopoly-meals-profits-data-investigation

[7] Ibid.

[8] Ibid; Grain Inspection, Packers and Stockyards Administration, "2016 Annual Report: Packers and Stockyards Program" (U.S. Department of Agriculture, 2016), https://www.ams.usda.gov/sites/default/files/media/2016_psp_annual_report.pdf

[9] Michael Ollinger, Sang V. Nguyen, Donald Blayney, Bill Chambers, and Ken Nelson, "Structural Change in the Meat, Poultry, Dairy, and Grain Processing Industries" (U.S. Department of Agriculture Economic Research Service, 2005), http://www.themarketworks.org/sites/default/files/uploads/studies/Structural-Changes-Meat-Poultry-Dairy-and-Grain-Processing-Industries-Economic-Research.pdf

[10] Ibid.

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share doubled through hundreds of mergers.[11] On a local level, the top four grocery chains now control 72% of sales in metropolitan areas, on average.[12] Walmart alone sells 50% or more of all groceries in one in every ten metropolitan areas and nearly one in three "micropolitan" areas across the country.[13]

These trends leave farmers and ranchers and small and midsize food processors with fewer buyers for their goods and give retailers and big processors more power to dictate prices to both suppliers and consumers. For instance, one 2012 study found that poultry growers operating in regions with just one chicken company to contract for received 8% less per pound compared to poultry growers in regions with four or more processors.[14] Farm input costs are also rising alongside corporate concentration – between 1990 and 2015 the price of inputs like seeds and fertilizer in the U.S. rose faster than farmgate commodity prices.[15] A new study from Texas A&M University found recent fertilizer price hikes track closely with higher corn prices, and not changes in nitrogen fertilizer's main input natural gas, raising concerns about fertilizer companies' market power.[16]

Consolidating food companies have also exerted downward pressure on wages. Between 1972 and 1992, in nine central food processing industries, average worker compensation fell by 25% in relation to the consumer price index.[17] Much of this decrease was led by slashes in meatpacking workers' wages, as corporations busted unions, closed plants, and shifted operations to more rural areas.[18] In 1982 the base pay for meatpacking workers in the United Food and Commercial Workers (UFCW) union was $10.69 (or $29.14 in 2020 wages, adjusted for inflation). [19] But in May 2020 the average hourly wage across the industry was just $15, according to the U.S. Bureau of Labor Statistics.

[11] U.S. Department of Agriculture Economic Research Service, "Retail Trends" (U.S. Department of Agriculture, 2021), https://www.ers.usda.gov/topics/food-markets-prices/retailing-wholesaling/retail-trends/ ; Ian M. Sheldon, "The Competitiveness of Agricultural Product and Input Markets: A Research and Synthesis of Recent Research." Journal of Agricultural and Applied Economics. (December 29, 2016). https://doi.org/10.1017/aae.2016.29

[12] Tian Xia and Brian Sancewich, "Interaction between Buyer Power in Agricultural Procurement and Seller Power in Food Retailing, and Optimal Allocation of Anti-Trust Efforts." Agricultural and Food Economics 6 (August 22, 2018). https://doi.org/10.1007/40100.2193-7532.

[13] Mitchell, Stacy, "Rep. Walmart's Monopolization of Local Grocery Markets," Institute for Local Self-Reliance, 2019. https://ilsr.org/walmarts-monopolization-of-local-grocery-markets/

[14] MacDonald, J.M., Key, N., 2012. Market Power in Poultry Production Contracting? Evidence from a Farm Survey. Journal of Agricultural and Applied Economics, 44(4), 477.

[15] Pat Mooney, "Too big to feed: Exploring the impacts of mega-mergers, concentration, concentration of power in the agri-food sector" (IPES-Food, 2017), http://www.ipes-food.org/_img/upload/files/Concentration_FullReport.pdf.

[16] Jacqui Fatka, "Higher fertilizer prices not linked to natural gas," *Feedstuffs*, January 12, 2022, https://www.feedstuffs.com/news/higher-fertilizer-prices-not-linked-natural-gas

[17] Ollinger, et al., "Structural Change in the Meat, Poultry, Dairy, and Grain Processing Industries" (USDA, 2005),

[18] William G. Whittaker, "Labor Practices in the Meat Packing and Poultry Processing Industry: An Overview" (Congressional Research Service, 2006), https://www.everycrsreport.com/files/20061027_RL33002_17844882076ad885474951c4207671a50f1cf53a.pdf

[19] James M. MacDonald, Michael Ollinger, Kenneth E. Nelson, and Charles R. Handy, "Consolidation in U.S. Meatpacking" (U.S. Department of Agriculture Economic Research Service, 2000), https://ageconsearch.umn.edu/record/34021/

Meatpacking injury rates also increased with consolidation in the 1980's – between 1980 and 1990 they jumped 40%, due largely to decreased inspections by the Occupational Safety and Health Administration.[20]

Increased concentration in the grocery sector is another factor that squeezes workers. Walmart's anti-union actions and low wages put pressure on unionized grocers and local labor markets.[21] One 2007 study found that Walmart openings lowered average wages of non-Walmart grocery employees in the same county by 1.5%.[22] Conditions continue to decline today. A 2022 study of Kroger grocery workers in the Western U.S. found that since 1990, wages for experienced food clerks have dropped between 11% to 22% adjusted for inflation.[23]

Given the food supply chain disruptions created by worker illness and a shortage of fair wages and dignified conditions, it is clearer than ever that this assault on the well-being of workers poses a direct threat not only to those workers but to the public at large.

FOOD SYSTEM CONSOLIDATION MAKES SUPPLY CHAINS UNSTABLE

Corporate concentration, decreased worker power, and trends toward specialization and domination make for fragile supply chains. Take the example of egg production. While less concentrated than other food sectors, egg production is vertically integrated with large processors directly owning farms or contracting with increasingly large growers. Contract egg farmers are generally committed to one buyer and their eggs designated for a specific type of plant serving a specific sales channel.[24] When COVID-19 shut down one of these channels, foodservice, egg companies decided to euthanize entire flocks that supplied foodservice egg processing facilities, sometimes without input from farmers.[25] This not only devastated the economic well-being of some unlucky farmers, it also diminished egg-producing capacity just as grocery stores faced egg shortages. In a less vertically integrated or corporate-controlled system, one could imagine farmers selling their eggs on an open market that could better redirect them to proper channels.

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[20] Roger Horowitz, "'That Was a Dirty JOB!" Technology and Workplace Hazards in Meatpacking over the Long Twentieth Century," *Labor: Studies in Working-Class History of the Americas* 5, no. 2 (January 2008): pp. 13-25, https://doi.org/10.1215/15476715-2007-075.

[21] Justin C. Wiltshire, "Walmart Supercenters and Monopsony Power: How a Large, Low-Wage Employer Impacts Local Labor Markets" (dissertation, 2021), https://static1.squarespace.com/static/5e0fdcef27e0945c43fab131/t/618639fa292dc404223f562a/1636186621526/JustinCWiltshire_JMP.pdf.

[22] Arindrajit Dube, T. William Lester, and Barry Eidlin, "A DOWNWARD PUSH: THE IMPACT OF WAL-MART STORES ON RETAIL WAGES AND BENEFITS" (UC Berkeley Labor Center , December 2007), https://laborcenter.berkeley.edu/pdf/2007/walmart_downward_push07.pdf.

[23] Daniel Flaming et al., "Hungry at the Table: White Paper on Grocery Workers at the Kroger Company" (Economic Roundtable , January 11, 2022), https://economicrt.org/publication/hungry-at-the-table/.

[24] Alfons Weersink et al., "COVID-19 and the Agri-Food System in the United States and Canada," *Agricultural Systems* 188 (2021): p. 103039, https://doi.org/10.1016/j.agsy.2020.103039.

[25] Adam Belz, "Egg Demand Shifted, and 61,000 Minnesota Chickens Were Euthanized," *Star Tribune*, April 21, 2020, https://www.startribune.com/egg-demand-shifted-and-61-000-minnesota-chickens-were-euthanized/569817312/.

The pork industry's disruptions during the pandemic also reveal the risks of concentrating production in too few plants owned by too few packers. Most hog farmers send their pigs to large plants that are few and far between. South Dakota, for instance, contains only five federally inspected pork processors, with anywhere from 50 to 400 miles between them.[26] The Smithfield plant in Sioux Falls, South Dakota, accounts for 4% to 5% of national pork processing annually.[27] This concentrated structure is inherently fragile if any one plant goes offline. A handful of large pork plant closures at the start of the pandemic created a backlog of slaughter-ready animals with no other place to be processed, forcing farmers to euthanize, by some estimates, as many as 800,000 hogs.[28] A system with a mix of large, medium, and small plants would disperse the risk of any one plant closing.

Economists argue that large packing plants can achieve cost savings through economies of scale. However, one study suggests that the largest hog and beef processing plants only have about a 1% to 3% cost advantage over smaller plants.[29] Further, large plants only realize these savings when operating at or near full capacity. The need to run large plants at full capacity contributes to the shift toward contract farming with large, concentrated animal feeding operations (CAFOs), such that packers have a large steady supply of animals.[30] A system in which medium-sized packers competed for animals in open markets could improve both resiliency and pricing transparency and discovery for farmers and still benefit from some efficiencies and economies of scale. It could also improve market access for more sustainable modes of livestock production beyond CAFOs.

Consolidation and Wall Street-driven cost-cutting have also diminished food supply chain capacity, contributing to shortages and fragility today. For instance, through the 1970s, there were about 20 grocery wholesaler mergers per year; that rate nearly doubled through the 1980s and early 1990s.[31] Merging wholesalers have shut down distribution centers, shrinking food supply chain infrastructure to the detriment of smaller and rural grocery stores.[32] One class-

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[26] "Food Safety and Inspection Service." Meat, Poultry and Egg Product Inspection Directory | Food Safety and Inspection Service. Accessed June 16, 2021. https://www.fsis.usda.gov/inspection/establishments/meat-poultry-and-egg-product-inspection-directory.

[27] "Smithfield Foods To Reopen Sioux Falls, South Dakota Facility After CDC Conducts Thorough Site Inspection and Affirms Company Meets or Exceeds All Employee Health and Safety Guidance," May 6, 2020. Smithfield. https://www.smithfieldfoods.com/press-room/company-news/smithfield-foods-to-reopen-sioux-falls-south-dakota-facility-after-cdc-conducts-thorough-site-inspection-and-affirms-company-meets-or-exceeds-all-employee-health-and-safety-guidance.

[28] Lucas, "Meatpacking Union Says 25% of US Pork Production Hit by Coronavirus Closures." *CNBC*, April 23, 2020; Hendrickson et al., "The Food System: Concentration and Its Impacts" (Family Farm Action Alliance, November 19, 2020).

[29] MacDonald, et al., "Consolidation in U.S. Meatpacking" (USDA Economic Research Service, 2000)

[30] Doug Gurian-Sherman, "CAFOs Uncovered: The Untold Costs of Confined Animal Feed Operations" (Union of Concerned Scientists, April 2008). https://www.ucsusa.org/resources/confined-animal-feeding-operations-uncovered

[31] John M. Connor, "CONCENTRATION AND MERGERS IN U.S. WHOLESALE GROCERY MARKETS" (Purdue University Department of Agricultural Economics, June 1997), https://core.ac.uk/download/pdf/7195545.pdf.

[32] Bob Clark, "C&S Planning to Shutter Former Olean Wholesale Site." *Olean Times Herald*, June 4, 2019, https://www.oleantimesherald.com/news/c-s-planning-to-shutter-former-olean-wholesale-site/article_84d616b9-77f9-5042-9b17-140bf520d826.html.; Tony Adams, "Glover Wholesale to Fade into Food Distribution History Books with US Food Acquisition." *Ledger Enquirer*, September 10, 2012, https://www.ledger-enquirer.com/news/business/article29239912.html.;

action lawsuit even accused top wholesalers Supervalu and C&S of colluding to reduce capacity and avoid competing in certain regions in order to charge customers higher fees.[33] Supervalu settled this case for $8.75 million in 2017. All told, distribution consolidation and vertical integration with large grocery chains leave communities reliant on a few hubs for essential goods. According to a 2019 Federal Emergency Management Agency report, “it is common for 80 percent of key goods and services serving a densely populated area to depend on seven or fewer distribution centers.”[34]

FOOD SYSTEM CONSOLIDATION DRIVES UP PRICES IN MANY WAYS

Price fixing scandals also call into question food corporations’ claims to price savings. Since 2016 private plaintiffs have accused leading corporations in every major meat industry of colluding to coordinate supply cuts and raise prices. One suit estimated that this conspiracy allegedly cost the average family of four an additional $330 on chicken per year.[35] Federal antitrust enforcers have also successfully prosecuted canned tuna executives for fixing prices: In June 2020 a federal grand jury sentenced the CEO of Bumble Bee to serve 40 months in jail. Most recently the Justice Department indicted 10 poultry executives for bid-rigging.[36] Pilgrim’s Pride pleaded guilty to the charges, and other meat corporations such as Tyson Foods and JBS have paid tens of millions to settle private price-fixing claims for chicken and pork.[37]

As meat prices rose dramatically in the fall and winter of 2021, meatpackers made record profit margins. Net profit margins for top meat companies Tyson Foods, JBS, Marfrig, and Seaboard were up over 300%, according to the White House. Tyson earned $1.36 billion in the fourth quarter of 2021, more than twice as much as last year.[38] If increased meat prices only represented meatpackers’ increased cost of doing business, economists wouldn’t expect net profit margins to rise. Such staggering net profits suggest that meat companies, and other consolidated food corporations, are taking advantage of inflation expectations to increase prices further and increase profit. Kraft, Coca-Cola, and ADM all saw double-, even triple-digit increases in net

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“North Dakota Officials to Study Decline in Rural Grocery Areas.” *Associated Press*, August 5, 2019, https://apnews.com/article/41bb73db51d042b1b514be80fbab3df1.

[33] D&G Inc. and Robert Warren Wentworth Jr. Inc v. Supervalu Inc. and C&S Wholesale Grocers, Inc., 09cv983, 93, (D. Minn 2009). ; Anne Bucher, “Supervalu Wholesale Grocery Antitrust Class Action Settlement,” *Top Class Actions*, November 10, 2017, https://topclassactions.com/lawsuit-settlements/closed-settlements/825780-supervalu-wholesale-grocery-antitrust-class-action-settlement/.

[34] “Supply Chain Resilience Guide” (U.S. Department of Homeland Security, April 2019), https://www.fema.gov/sites/default/files/2020-07/supply-chain-resilience-guide.pdf.

[35] Ben Popken, “You're Getting Skinned on Chicken Prices, Suit Says,” *NBC News*, February 17, 2017, https://www.nbcnews.com/business/consumer/you-re-getting-skinned-chicken-prices-suit-says-n721821.

[36] “Former Bumble Bee CEO Sentenced To Prison For Fixing Prices Of Canned Tuna,” *U.S. Department of Justice* (U.S. Department of Justice Antitrust Division, June 16, 2020) https://www.justice.gov/opa/pr/former-bumble-bee-ceo-sentenced-prison-fixing-prices-canned-tuna.

[37] “Six Additional Individuals Indicted On Antitrust Charges In Ongoing Broiler Chicken Investigation,” *U.S. Department of Justice* (U.S. Department of Justice Antitrust Division, October 7, 2020), https://www.justice.gov/opa/pr/six-additional-individuals-indicted-antitrust-charges-ongoing-broiler-chicken-investigation.

[38] Nathan Owens, “Tyson’s 4Q earnings double results from ’20,” *Arkansas Democrat Gazette,* November 16, 2021, https://www.arkansasonline.com/news/2021/nov/16/tysons-4q-earnings-double-results-from-20/

income compared to 2020.[39] In a competitive market, economists would expect companies to undercut excess profits or unduly high prices by charging less and taking sales. But in a concentrated market with fewer competitors, food companies can easily keep track of one another and tacitly decide to all raise prices and make more profits.

IT'S VITAL FOR CONGRESS AND ENFORCERS TO ACT NOW

Food companies and some economic analyses argue that decades of consolidation promoted efficiency and brought down food prices. Recent supply chain disruptions reveal the tradeoffs of prioritizing efficiency over resiliency, diversity, and safety nets.

Reviving antitrust laws will help break these brittle and exploitative market structures. Antitrust enforcers have the authority to review and unwind past mergers that have proven to monopolize markets, inhibit and reduce firm rivalry, or facilitate other exclusionary, predatory, or unfair conduct. Congress can also act directly to break up and restructure food industries through legislative fiat. This committee's efforts to increase merger filing fees and increase resources for state attorneys general would also support greater antitrust enforcement broadly. Further, while this policy proposal was part of an investigation into competition in digital markets, the majority staff's recommendation that Congress establish presumptions against further mergers by dominant platforms could also apply to dominant food processors and retailers. Additionally, members in the Senate and House have previously introduced bills that would impose a moratorium on all large agribusiness, food and beverage manufacturing, and grocery retail mergers and establish a commission to assess abuses of market power in this industry. Such an agriculture merger moratorium would be another worthwhile step. To effectuate Congress's desire for robust and vigorous merger enforcement, merger review should incorporate more structural presumptions and bright-line rules modeled after the 1968 merger guidelines.

More broadly, the U.S. Department of Agriculture (USDA) intends to issue new rules under the Packers and Stockyards Act to ensure farmers can seek justice against deceptive and unfair tactics by meatpackers. The Farm Systems Reform Act also proposed amendments to the Packers and Stockyards Act that would revive Congress's intent to rein in monopolistic practices by meatpackers. The Federal Trade Commission is also collaborating with USDA to study "the effect of retail concentration and retailers' practices on the conditions of competition in the food industries."[40] This includes investigating possible violations of the Robinson-Patman Act, an anti-monopoly law that aims to prevent dominant retailers from abusing their buyer power.

[39] "ADM Reports Third Quarter Earnings per Share of $0.93, $0.97 on an Adjusted Basis," (ADM, October 26, 2021), https://investors.adm.com/news/news-details/2021/ADM-Reports-Third-Quarter-Earnings-per-Share-of-0.93-0.97-on-an-Adjusted-Basis/default.aspx; "Kraft Heinz Reports Third Quarter 2021 Results," (Kraft Heinz, October 27, 2021), https://ir.kraftheinzcompany.com/news-releases/news-release-details/kraft-heinz-reports-third-quarter-2021-results.; "Coca-Cola Reports Continued Momentum and Strong Results in Third Quarter; Raises Full-Year Guidance," (Coca-Cola, October 27, 2021), https://d1io3yog0oux5.cloudfront.net/_d530a6a3083114de8eb7250b104a70d0/cocacolacompany/news/2021-10-27_Coca_Cola_Reports_Continued_Momentum_and_Strong_1040.pdf

[40] U.S. President. Executive Order. "Promoting Competition in the American Economy, Executive Order 14036 of July 9, 2021" *Federal Register*: Page 36987-36999, https://www.federalregister.gov/documents/2021/07/14/2021-15069/promoting-competition-in-the-american-economy

Finally, a less well-known anti-monopoly law, the Capper-Volstead Act, provides another model for combatting harmful buyer power through promoting cooperatives and economic coordination among smaller producers. This principle should be expanded to promote farmer- and more critically worker-owned cooperatives across the food system, as these entities have proven to prioritize important goals including food systems resiliency and worker safety as a part of their business model, as opposed to most corporate structures, which operate narrowly to maximize short-term returns for shareholders.

Portions of this statement are based on The Open Markets Institute's response to the USDA's request for public comment "Supply Chains for the Production of Agricultural Commodities and Food Products" - AMS-TM-21-0034.