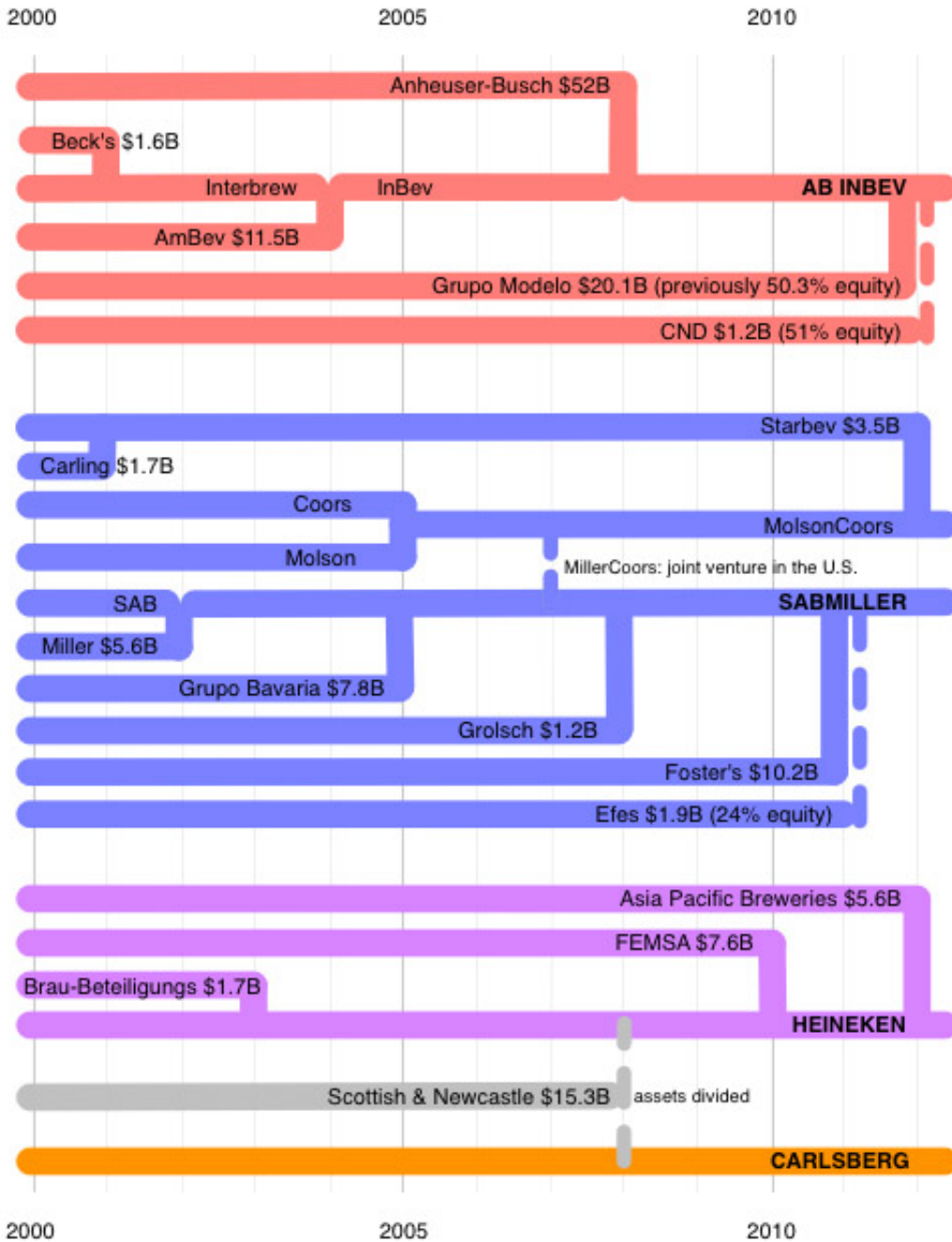


New book reveals that food monopolies are everywhere

March 10 2016



Phil Howard, Michigan State University

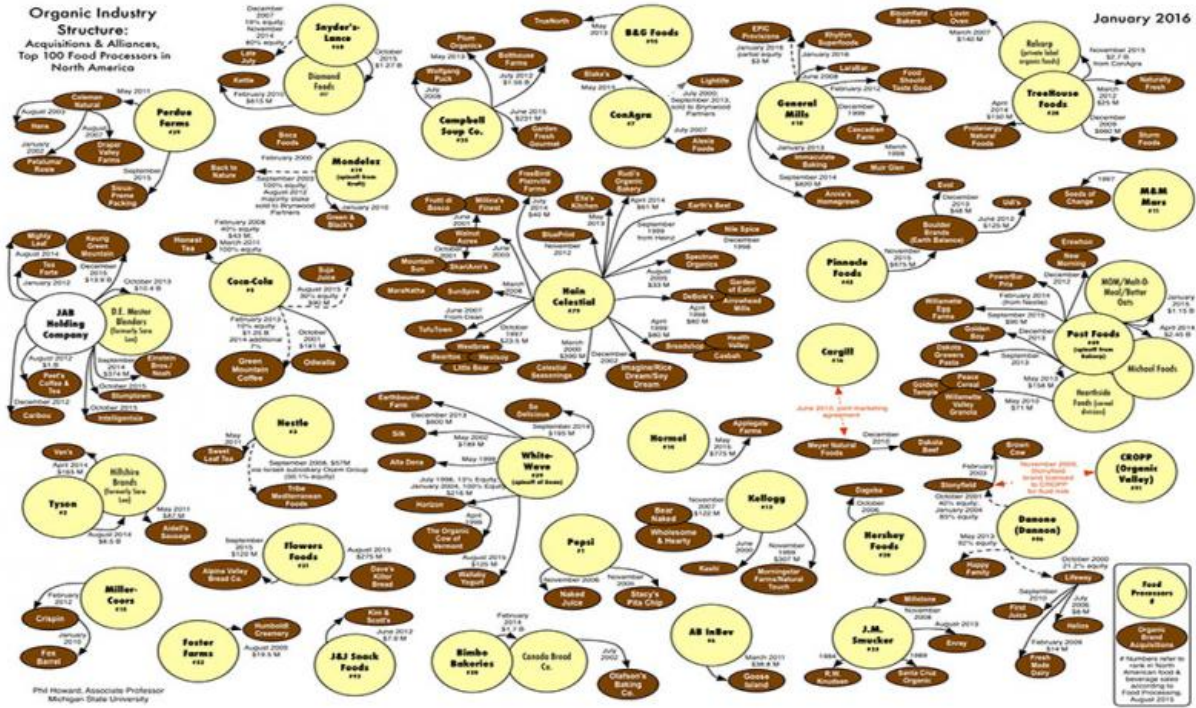
Food monopolies are everywhere -- and they're growing. A new book by a Michigan State University professor dissects the troubling trend and shows how it's happening on all levels of the food chain. Credit: MSU

Food monopolies are everywhere - and they're growing. A new book by a Michigan State University professor dissects the troubling trend and shows how it's happening on all levels of the food chain.

Most people know about fast food and big beer monopolies. Many people don't know, though, that many craft beers are actually owned by big breweries, and margarine - yes, margarine - is nearly a monopolized [market](#), said Phil Howard, associate professor of community, agriculture, recreation and resource studies, and author of [Concentration and Power in the Food System: Who Controls What We Eat?](#)

"At almost every key stage of the food system, four firms alone control 40 percent or more of the market, a level above which these companies have the power to drive up prices for consumers and reduce their rate of innovation," he said. "These trends are often hidden from most of us - and even from people who work in these industries - because acquisitions may not result in changes of brand names."

Here are some examples: Walmart rules retailing, owning 33 percent of the U.S. market; AB InBev dominates more than 46 percent of the U.S. beer market; and Monsanto controls 26 percent of the international seed market. In the dairy case, Unilever accounts for more than 51 percent of sales of margarine while ConAgra accounts for nearly 17 percent of all U.S. sales.



"In terms of margarine, the corporations' power is hidden from us through an illusion of numerous competing brands," Howard said. "There's a deliberate attempt to obscure how much shelf space is controlled by just a few corporations."

In the craft beer market, Goose Island and Leinenkugel's, two faces of midwestern craft breweries, were bought out by AB InBev and SABMiller, respectively. Away from the Midwest, AB InBev recently purchased five craft brewers on the West Coast.

"They're doing this because big-brand beers' market shares are stalled or declining. To increase market share, they must buy out craft breweries that are growing or merge with other, larger competitors," Howard said.

"For example, if the proposed merger between AB InBev and SABMiller goes through, they'll control nearly one-third of the international beer market."

The book identifies dominant corporations and supermarket chains and shows the extent of their control over markets. It also analyses the strategies these firms are using to reshape society in order to further increase their power.

"The book covers how corporations influence vulnerable populations, such as recent immigrants, ethnic minorities and people with lower socioeconomic status," Howard said.

The book isn't all doom and dread, however. Some of the positive market trends include the effort to increase the variety of turkeys consumed at Thanksgiving.

In 1997, there were only 1,300 individual turkeys in the U.S. that weren't broad-breasted white. Today, there are tens of thousands of heritage turkeys being raised around the country. The increased variety gives consumers many choices in many price ranges.

The book, which is geared toward college classrooms and can be bought at Bloomsbury Publishing, is a good resource for anyone interested in the food industry or who is concerned about these trends. Even though Howard points out numerous worrying trends in the food market, he's optimistic regarding its future.

"Some of these monopolistic trends sound overwhelming," he said. "It often looks unstoppable, but it's not."

Provided by Michigan State University

Citation: New book reveals that food monopolies are everywhere (2016, March 10) retrieved 13 April 2024 from <https://phys.org/news/2016-03-reveals-food-monopolies.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.