

Agriculture and Antitrust Enforcement

Brent Hueth, Director

University of Wisconsin Center for Cooperatives

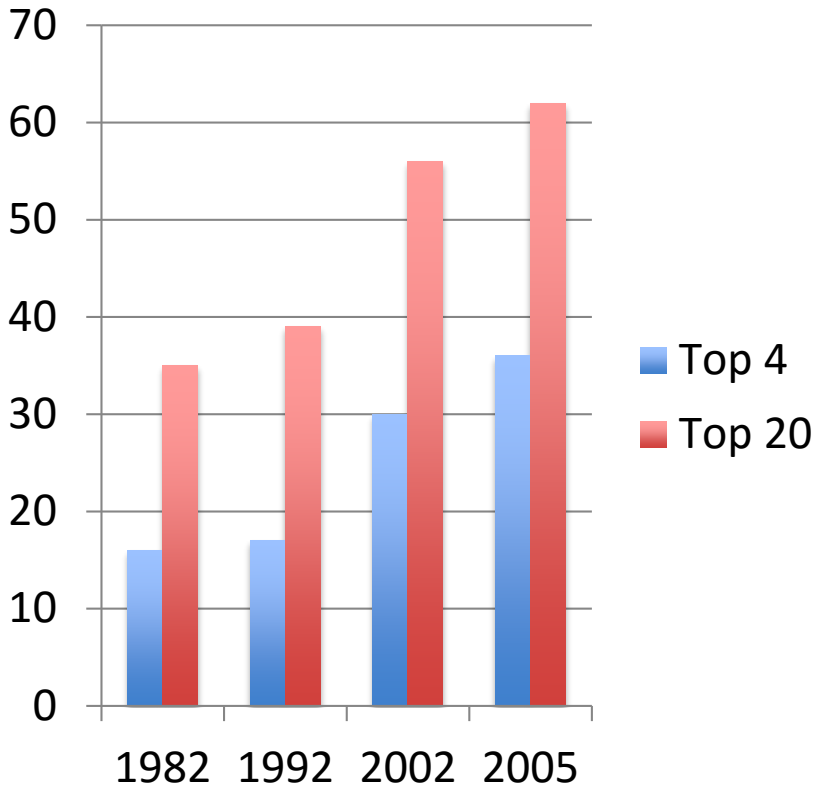


University of Wisconsin
**CENTER FOR
COOPERATIVES**

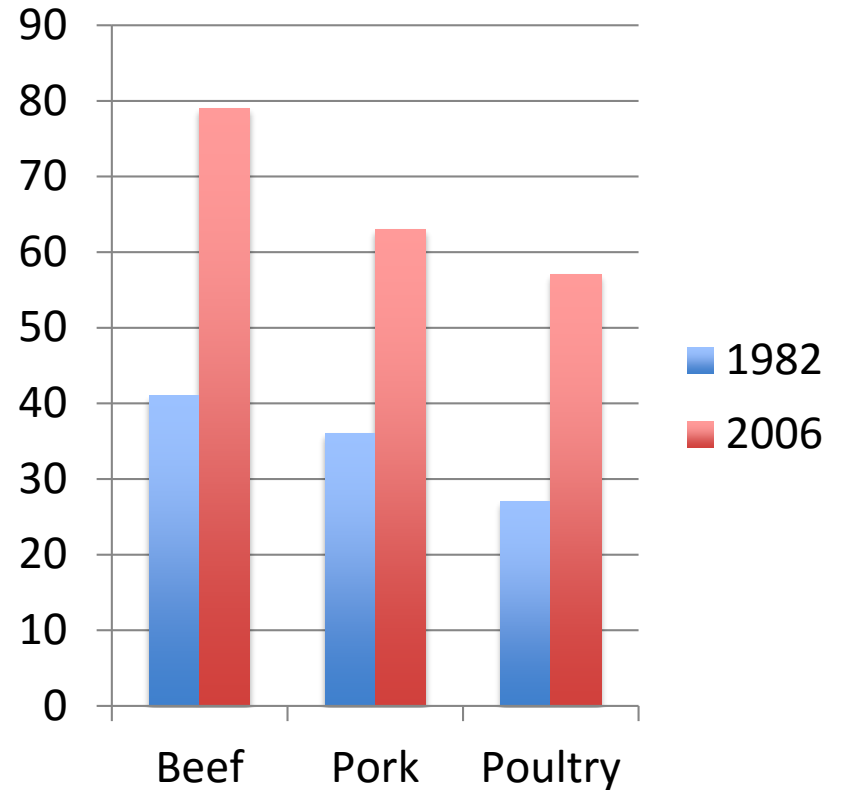
LW
Extension
University of Wisconsin-Extension

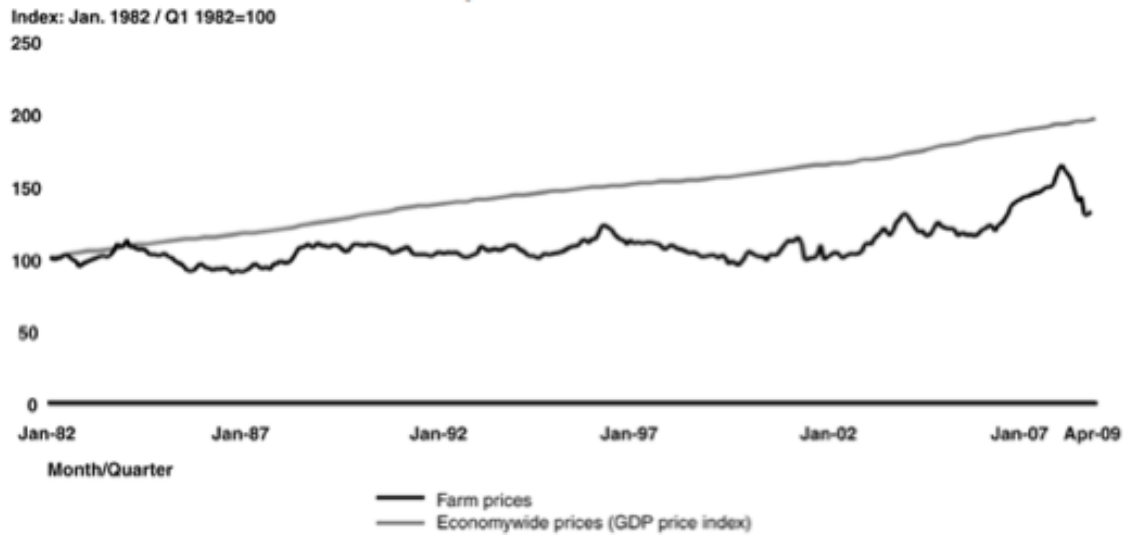
Consolidation

Concentration ratios of grocery store sales



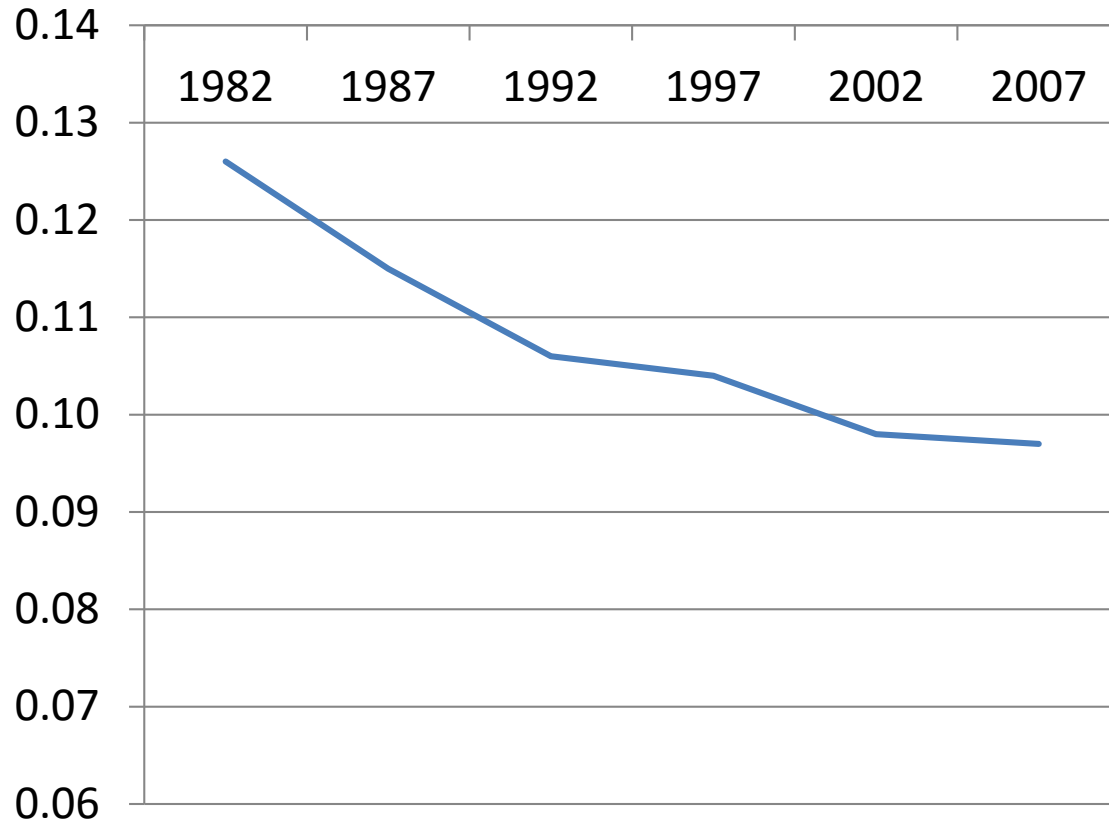
Concentration ratios of 4 largest meat processing firms





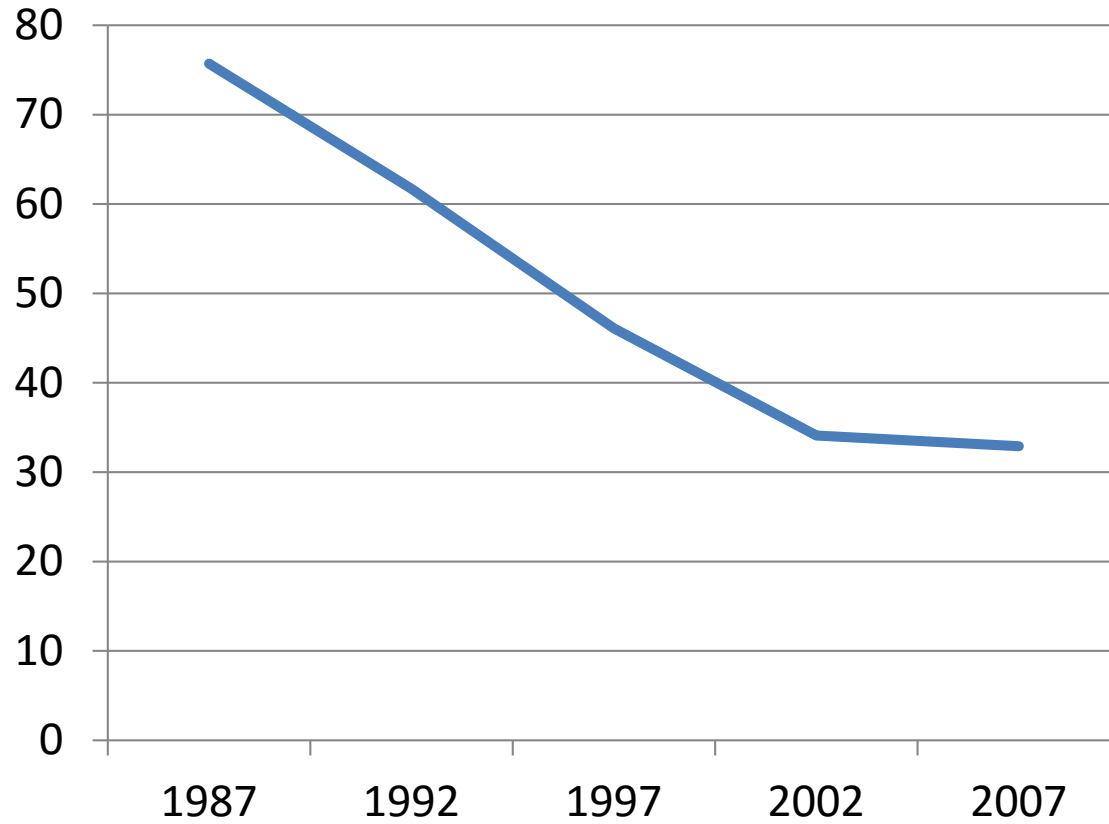
Farm Prices Rising More Slowly Than Overall Prices

Indices of Prices Received by Farmers for All Farm Products and Economy Wide Prices, 1982-2009.



Consumers Spending Less on Food

Household expenditures on food as a share of disposable income, 1982-2007.



Farms Getting More Efficient

Number of farms (1000's) that account for 50% of total farm sales nationally.

Government Responds

- Model Producer Protection Act (2000)
- GAO Report (GAO-09-746R Concentration in Agriculture, 2009)
- DOJ/USDA Workshops (2010)

Cooperatives, DOJ, and Antitrust Enforcement

Adversaries or Allies?

Two Views

Sapiro

“We don’t say that the purpose of cooperative marketing is to introduce any economy in the physical handling of grain... we are interested in raising the basic level of the price of wheat”

Nourse

Cooperatives are

“...a means to improve the lot of both farmer and consumer by improving the efficiency of the economic machine.”