Think Questions

U Why are some concerned about the balance of power between food retailers and food manufacturers?

Think Questions

U In many African countries during the 1980s and 1990s, there were legal prohibitions against small grain mills competing with large industrial millers. Why have many economists argued that such restrictions need to be removed if grain farmers are to benefit from structural adjustment programs?

All Things Considered...

U Is the increasing international sourcing and distribution of goods and services by private food companies an issue of food security?
U Are these two market “traits” compatible?
  YConsumer sovereignty
  Y“Fair” competition
Gathering Grain

_Cargill’s Purchase of Continental Grain_

- Cargill
  - Largest U.S. grain buyer; Strong linkages into processing
- Continental
  - Second largest U.S. grain buyer; Grain merchandising focus
- Post-acquisition
  - Cargill alone handles 13% of all U.S. grain moving to market and 35% of U.S. grain exports.

Grain Elevator Locations

Mergers in Meat

_Tyson Foods’ Purchase of IBP Inc._

- Tyson Foods
  - Largest U.S. poultry processor
  - Integrated from contract producers to distribution
  - Branded product focus
- IBP Inc.
  - Largest U.S. Beef packer
  - Second Largest U.S. Pork packer
  - Commodity focus