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*Review of American Agriculture and the Problem of
Monopoly: The Political Economy of Grain Belt
Farming, 1953-1980* by Jon Lauck

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American Agriculture and the Problem of Monopoly: The Political Economy of Grain Belt Farming, 1953-1980. Jon Lauck. Lincoln: University of Nebraska Press, 2000. xiv+259 pp. Tables, notes, index. \$45.00 cloth.

Through the years, nothing has marked agrarian political discourse on the Great Plains quite as much as the charge of monopoly. Farmers' demands for protection from the firms that purchased their product animated the Populist and Progressive movements in the region and contributed to the regulation of business practices in the grain trades and packing industry. Farmers' search for greater control over their own prices culminated in policies promoting agricultural producer cooperatives during Normalcy and regulating agricultural production during the New Deal.

Jon Lauck picks up the story of farmers and monopoly in the postwar period, focusing on the Northern Plains west of the Mississippi, a region he calls the Grain Belt for its focus on the production of cereals for livestock and sale. The problem of monopoly in the Grain Belt, he contends, had two parts.

The first was the traditional concern of antitrust policy: the problem of concentration and vertical integration in the agricultural processing and export industries. The second was the issue of farmers' control over agricultural production and prices.

Three early chapters deal with variants on the traditional trust problem. The first recounts the history of "corporate farming" in the region, the second the evolution of industrial organization in the meat and grain processing industries, and the third the experience of "cartelization" in the grain export business. The story Lauck tells is more the failure of monopoly than its success. Fears of corporate takeover in Great Plains agriculture proved much greater than actual results. The processing trades turned out to be remarkably dynamic, especially in meatpacking, where, despite high levels of market concentration, industry leadership underwent revolutionary change. Grain exporters and their new cooperative competitors, moreover, struggled for profitability in a volatile economic and political environment.

Symmetrically, three later chapters examine variants on farmers' attempts to create countervailing market power of their own. Here Lauck's account emphasizes success, though qualified and highly contingent. Forthrightly but sympathetically, he details the formation of the National Farmers Organization and its attempts to introduce collective bargaining into farmers' relationships with their customers. He also examines the evolution of cooperative marketing, surveying the business successes and failures of such familiar enterprises as the Farmers Union Grain Terminal Association and Farmland Industries. Finally, he recounts the ever-more-precarious state of federal agricultural commodity programs, burdened by diminishing political support and increasing technological capacity to produce. Lauck places this history in the context of national antitrust policy, closing the book with an evaluation of the normative theory undergirding it.

Monopoly power in American agriculture may have fallen short of farmers' worst fears; nonetheless, Lauck finds merit in the agrarian values that stoked those fears. "Farmers were largely individualistic," he writes, "opposed to onerous statist controls, and capitalistic, conferring legitimacy on economic change. But their regrets about such changes can be seen in calls for social justice in the [policy] realm and in their sorrow over the cultural costs of a dwindling number of farmers and small towns, outcroppings of the American republican tradition, too often overshadowed by the more powerful liberal tradition." In his view, these are the values justifying an antitrust jurisprudence that recognizes the impact of industry structure on bargaining power, and especially on the bargaining power of American farmers. **John Mark Hansen**, *Department of Political Science, University of Chicago*.