Market concentration in food and agriculture markets creates major challenges for farmers and ranchers. For decades, the markets that farmers and ranchers buy from and sell to have become increasingly consolidated. In recent years, consolidation has threatened the resilience of supply chains, jeopardized supplies of critical farm inputs, and depressed prices for farm commodities.

As competition declines, multinational corporations limit farmers’ and ranchers’ choices. Consolidation in the seed, chemical and fertilizer markets has given a handful of companies outsized power to manipulate supply and prices. After years of record input costs, many farmers and cooperatives are already facing tight input supplies for the 2023 growing season.

The lack of competition in the beef processing sector has also contributed to significant volatility in cattle markets in recent years. While critical investments in local and regional processors is creating new market options for ranchers, the federal government must do more to address anticompetitive behaviors, improve price transparency and level the playing field for small processors.

The challenges caused by market concentration are exacerbated by infrastructure and shipping constraints. Recent infrastructure investments provide significant progress toward strengthening U.S. supply chains. However, freight rail concentration and the nation’s truck driver shortage continue to plague food and agriculture supply chains.

North Dakota Farmers Union urges Congress and the administration to ensure fair markets for farmers and ranchers, including the following priorities:

- Strengthen existing antitrust laws and enforcement;
- Investigate supply manipulation and price gouging concerns;
- Avoid trade policies that would increase the market share of dominant firms;
- Invest in new fertilizer production, and regional and on-farm storage facilities in the Upper Great Plains;
- Enact the Cattle Price Discovery and Transparency Act and the Meat and Poultry Special Investigator Act;
- Increase rail competition, ensure fair shipping rates, and streamline rate review processes; and
- Address the nation’s trucker shortage, including reducing barriers to securing and maintaining a commercial driver’s license.