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Book Review

Food

Jennifer Clapp

Polity Press, 2012: 218 pages

Review by Christopher Yordy (Carleton University)

The economic shocks witnessed at the time of the global food price crisis of 2008 were a stress test for governance mechanisms in the global food economy. As the decisions at the top of the largest transnational food corporations are often shrouded in secrecy, the associated patterns of governance have typically remained a matter for speculation for all but the most seasoned agribusiness and trade experts. Jennifer Clapp's *Food* succeeds in exposing some of the primary forces behind the food economy, and maps the relationship between government, private industry, and the international institutions involved in food regulation. Through a compelling narrative, she offers a simplified view of the ascent of transnational corporations within this triumvirate, revealing their sources of power through a number of policy processes. Clapp's work is essential reading for the contemporary food studies researcher, offering a stern forewarning that high food prices are likely to remain a permanent feature of the world food economy if no regulatory changes are made.¹

Chapter 1 traces the journey of a product on its way from farm to fork, and sets the stage for the rest of the book by defining the *world food economy*. This term is used to imply the global nature of food markets—that they are no longer bounded by any single country but subject to global forces, with more food travelling through globalized supply chains than ever before. Chapter 2 tells the story of the rise of a global industrial food market with a heavy emphasis on food aid. An elaborate discussion of unequal trade rules with a focus on the historical context is presented in Chapter 3, followed by a pithy critique of transnationals in Chapter 4. The book culminates with a rich explanation of the financialization of food in Chapter 5. This last section is especially salient to the current situation of food price volatility on world markets.

Of particular focus for Clapp in her research framework are the 'middle spaces' that exist between producers and consumers, where transnational actors influence the rules of the game. When the concept is first introduced, middle spaces are defined as spaces within which "norms,

practices and rules that govern the world food economy are shaped by the very forces that are leading to its expansion” (6). This definition is somewhat ambiguous. The term ‘middle spaces’ resurfaces at various points, but with slight variations each time. It therefore might remain unclear whether the middle spaces are defined primarily as the nodes of a given commodity supply chain in the private sphere—at the centre of the hourglass between producers and consumers—which can be influenced by the public sphere (97–98), or whether they are instead primarily a cluster of public sector actors that regulate finance, trade in commodities, and quality standards, and which are acted upon by private sector interests. A third possibility is that the middle spaces require a constant negotiation of power sharing between government and industry. Clapp might further explain at the outset of her study how power is coopted, shared, and manipulated within global food supply chains, which would help to clarify the degree to which private sector influence from transnational corporations is measurable.

Furthermore, when defined as the midpoint of supply chains, a second problem arises, which is that it might be inappropriate to call these ‘middle spaces’ if the *locus* of power lies somewhere other than the middle of the value chain. In fact, food retailers may be driven by changing consumer tastes and preferences much more than by the desire to exercise control over the middle zones of a given commodity supply chain. A more nuanced argument could be provided if Clapp were to examine the different types of agro-industrial power in the individual hemispheres of the supply chain hourglass rather than merely at the bottleneck (97). Depending on the type of industry we are referring to, whether primary, secondary, or tertiary, the proximity to consumers matters greatly in determining the level of revenue of a given firm. For this reason, one may imagine that retail giants Wal-Mart and Tesco would in future compete with other food companies on the basis of more than GMOs and food labelling issues (113).

A quick look at the data shows a substantial power asymmetry between the food and beverage industry and all others (112). In fact, the ETC data that Clapp presents is likely to be underestimated. As of 2010, the food and beverage economy was valued at \$3.8 trillion dollars as compared to animal feed companies (\$263 billion), animal processing companies (\$672 billion) and input suppliers (\$227 billion) (estimates based on USDA data, 2014). The gist of this observation is that supermarkets and some retail food vendors may indeed have more money to throw at the big agri-lobby than do the ABCD companies.^{2, 3} This is an important clarification because both food retailers and the ABCD companies may derive power from the supply chains for different reasons: (a) through economies of scale and the elimination of transactions costs or (b) for a simple gain in market share which arises from the concentration of industry. The changing market presence of retail food companies in each of these market segments warrants further attention.

On the whole, Clapp provides some of the most stimulating market information to date on the world food economy. She succeeds in bringing together important critiques of TNCs with her own unique perspectives on the financialization of food. This is no small feat. Clapp’s work succeeds in speaking simultaneously to food activists with a spiritual grounding in the food movement and to economists who seek to evaluate power structures in the food industry.

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Organization in Cairo. Chris has been engaged with the Community First project at Carleton since its inception, carrying a passion for food movements and policy change around the world.

¹ Clapp, Jennifer. 2012. *Food*. Cambridge: Polity Press, p.19. Further references to this text will appear as page numbers in parentheses.

² Among the largest food processors are Archer Daniels Midland (ADM), Bunge, Cargill and Louis Dreyfus—hence the initialism derived from their names. Their reaction against tighter limits on speculation is indicative of the middle spaces where ABCD companies are strongly affected by changes in place at the US Commodity Futures Trading Commission (Meyer, 2014).

³ Meyer, G. (2014, February 9). Commodities traders take aim at rule to limit speculation. *Financial Times*. London, UK. Retrieved from <http://www.ft.com/intl/cms/s/0/63553066-904a-11e3-8029-00144feab7de.html#axzz2w7L1pBvM>