การกระจุกตัวและการรวมศูนย์ทางอำนาจว่าด้วยเรื่อง "ความสามารถในการแข่งขันทางเศรษฐกิจ" : กรณีศึกษาว่าด้วยเรื่องการค้าระหว่างประเทศในกรณีระบบเกษตรกรรมทางอาหาร

Concentration and Centralisation of Competitiveness : A Case Study of the Global Trade of Agriculture-Food System

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บทคัดย่อ

ความสามารถในการแข่งขันทางเศรษฐกิจเป็นหัวใจสำคัญในระบบเศรษฐกิจสากลและการรวมกลุ่มความสัมพันธ์ในระบบเศรษฐกิจ นักวิชาการบางส่วนเห็นว่าการแข่งขันทางเศรษฐกิจสามารถทำความเข้าใจผ่านการค้าระหว่างประเทศและหลักการได้เปรียบโดยเปรียบเทียบ อย่างไรก็ดี บทความนี้มีข้อถกเถียงว่าความสามารถในการแข่งขันทางเศรษฐกิจสามารถถูกทำความเข้าใจจากกรอบของการกระจุกตัวและการรวมศูนย์อำนาจของทุนในกรอบวิเคราะห์ของกลุ่ม Marxian โดยความสามารถในการแข่งขันทางเศรษฐกิจสร้างระบบผูกขาดในระบบเศรษฐกิจสากลผ่านตัวแสดง "บรรษัทข้ามชาติ" ไม่ใช่ผลประโยชน์

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แห่งชาติ นอกจากนี้ การผูกขาดยังได้รับการสนับสนุนจากข้อตกลงระหว่างประเทศต่าง ๆ ทั้งนี้ เพื่อเชื่อมโยงทฤษฎีและภาคปฏิบัติ สามารถดูได้จากตัวอย่างของการค้าระหว่างประเทศในระบบเกษตรกรรมทางอาหารที่มีการควบคุมด้วยการกระจุกตัวและรวมศูนย์อำนาจทางเศรษฐกิจ ความสามารถในการแข่งขันได้สร้างระบอบอาหารรูปแบบใหม่ที่เรียกว่า "ระบอบบรรษัทอาหาร" ที่มีบรรษัทข้ามชาติทางด้านเกษตรกรรมทางอาหารเป็นตัวแสดงหลัก การกระจุกตัวของอำนาจดังกล่าวสามารถเกิดขึ้นได้จากความสัมพันธ์ระหว่างรัฐและบรรษัทยักษ์ใหม่ ข้อตกลงระหว่างประเทศ และการครอบงำทางความคิดในเรื่องของตัวชี้วัดขีดความสามารถในการแข่งขันทางเศรษฐกิจ

คำสำคัญ : การกระจุกตัวของอำนาจ, การรวมศูนย์อำนาจ, ความสามารถในการแข่งขันทางเศรษฐกิจ, การค้าระหว่างประเทศ, ระบบเกษตรกรรมทางอาหาร

Abstract

Competitiveness is a key of global economy and economic integration. Some people note that competitiveness can be understood and promoted by international trades and comparative advantages. However, this article argues that competitiveness can be vividly examined as a concentration and centralisation of capitals in term of Marxian economics. The competitiveness has created monopolisation of global economy through key actors that are transnational corporations (TNCs), rather than national interests. Moreover, the monopolisation has been enhanced by multilateral agreements. To apply Marxian political economy and practice, a case study of the global trade of agriculture-food system is elucidated to show the process of concentration and centralisation of global economy. The competitiveness has created new form of food regime as "corporate food regime" that has agri-food TNCs as a key actor. Concentration of TNCs power is constituted by the giant corporates-state relations, multilateral agreement, and neoliberal hegemonic idea of indicator of competitiveness.

Keywords : Concentration, Centralisation, Competitiveness, Global Trade, Agriculture-Food System

Introduction

In the context of globalisation, competitiveness is a key of global economy and economic integration. Some people note that competitiveness can be understood and promoted by international trades and comparative advantages e.g. Porter (1985). However, *this article argues that competitiveness can be deeply examined as a concentration and centralisation of capitals in term of Marxian economics.* The competitiveness has created monopolisation of global economy and key actors that are transnational corporations (TNCs), rather than national interests. Moreover, the monopolisation has been enhanced by multilateral agreements. To apply Marxian political economy and practice, a case study of the global trade of agriculture-food system is elucidated to show the process of concentration and centralisation of global economy.

The paper proceeds in three sections. In the first part, a comparison between Ricandian and Marxian Economics in term of competitiveness would be considered as an approach to answer why globalisation and competitiveness are related. In the second part, Marxian approach is brought to explain how concentration and centralisation work in term of competitiveness by focusing on state-corporates relation, multilateral agreements, and global indicators of economic competitiveness. The last part discusses about a case study of global food politics and international trade of agri-food system. This case study is crucial because it can be clearly seen that TNCs monopolise capitals and power in global food economy by using term of competitiveness.

Globalisation and Competitiveness: Ricardian and Marxian economics

Competitiveness is a main study of economic globalisation to explain advantages of economic integration and flows of capitals. The economic globalisation started in the 18th century[1] that had a global division of labour, which is a core idea of competitiveness, to intensify industrialisation of the West (Dicken, 2011, p. 14). To understand linkage between globalisation and competitiveness, there are two approaches of political economy to define competitiveness: Ricandian and Marxian approaches.

To consider definition, Ricandian economics is an economic theory that bases on David Ricardo, an English political economist who focuses on an international division of labour and comparative advantage of international trade. The idea of competition and competitiveness was introduced by Adam Smith in term of a general principle of economic society and was developed by David Ricardo in case of international division of labour and comparative advantages. However, neoclassical liberal economists, such as Friedrich A. Hayek, described 'perfect competition' as an idealistic system and the real capitalism as 'imperfect competition' (Jessop, 2013, p. 102).

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1 Philip G. Cerny (1997, p. 273) indicates that globalisation does not have a single or common definition, but a contested idea. Consequently, this article realises that there are debates about when did globalisation start. However, the article tries to show linkage between economic globalisation and competitiveness that has a global division of labour and international trade as main issues. This is why I choose Dicken's period of economic globalisation that started in British industrialization and colonialism era. To identify economic integration in 18th century, Hobson (2004, pp. 20-23) demonstrates the source of European imperialism came from the Eastern resources, labours, and technologies that was a one example of economic globalisation linked the West and the East.

In particular, Laura D'Andrea Tyson, an American economist and former Chair of the US President's Council of Economic Advisers, defines competitiveness as 'our ability to produce goods and services that meet the test of international competition' (cited in Krugman, 1994, p. 31). Moreover, according to Michael Porter (1985, p. 3), a leading American economist who promotes the competitiveness and economic development, competitive advantage is a fundamental of growing out a value that is 'able to create for its buyers that exceeds the firm's cost of creating it. Value is what buyers are willing to pay, and superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price.' A main idea of Ricandian economics hence relies on economic globalisation as the international trade and global capitalism.

Turning to examine definition of another approach, Marxian economics is approaches of political economy that have been developed from Karl Marx's idea in *Das Kapital.* According to Foster (1986, p. 16), The Marxian economy has six main points of capital accumulation that composes of the labour theory of value, the exploitation and surplus value, the tendency of the rate of profit to fall[2] , state theory, the concentration of capitalism and the emerging (new) imperialism, and the meaning of actually existing socialism. In Marxian point of view, the growth of monopoly capitalism is undeniable because the capital accumulation and competition lead to the concentration of capital in a few capitalists who control the larger part of mode of production and produce cheap commodities faster than smaller capitals.

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2 This Marx's idea also based on David Ricardo's study of a declining profit rate in agricultural product, and then developed theory into competition and monopoly.

Table 1: A comparison between Ricandian and Marxian Economics in term of *competitiveness*

Issues	Ricardian economics	Marxian economics
Globalisation and international trade	Economic integration and global value chain	Centralisation of capitals
An existence of comparative advantage	National advantages and capital flows	Concentration of power in case of TNCs
International division of labour	Globalising process of economic integration and productivity	Chain of power relationships between the North and the South countries
Key actors of competitiveness	Nation-states	TNCs

Source: Compiled from Baran and Sweezy, 1966; Foster, 1986; Cerny, 1997.

A comparison between Ricardian and Marxian Economics in term of competitiveness illustrates in Table 1 that consists of four issues. First, Ricardian economics understands globalisation and international trade as an economic integration and global value chain that advances in technology and consolidation of economic activities to co-ordinate and to locate each activity in the world economy (Thun, 2011, pp. 284-293). On the contrary, Marxian economics sees economic globalisation as a centralisation and monopoly of capitalism. Marxian political economists as Baran and Sweezy (1966, chapter 2) elucidate concentration and centralisation of capital in constructing a model of the monopoly capitalist economy that has the giant corporation as a main actor. They tried to challenge traditional explanation of 'interest group' of U.S. economy by using an approach of economic monopolisation. The economic globalisation facilitates international corporations to monopolise chain of production, especially the agro-food industry.

Second, Ricardian economics believes in an existence of comparative advantage that could create comparative advantages for national interests and capital flows. For example, Krugman (1994, pp. 41-44) tries to warn that countries do not compete with each other in the way corporations do, and then argues that government should dismantle barriers of international trade for their own interest, rather than making economic policy to enhance competitiveness and protectionism. On the other hand, a comparative advantage of Marxian political economist's view is just a concentration of power of corporations and firms. The capitalist system is operated not only by the centralisation of capital, but the concentration power of a limited number of capitals as well. Later Marxist scholars have researched competition and monopoly that Nikolai I. Bukharin showed relationship between finance capital and giant firms to monopolise national markets and Vladimir I. Lenin noted the highest state of capitalism as monopoly and economic imperialism (Jessop, 2013, pp. 101-102).

Third, the international division of labour is a core idea of Ricardian economics to create a globalising process of economic integration and productivity. However, Marxian economics sees the international division of labour as a chain of power relationships between the North and the South countries. These power relationships come from corporations, global financial institutions, and state organisations that support expanding the power of capital in order to maintain competitive markets and preserve profit rates (Taylor, 2008, p. 3). It means that the international division of labour can forge a global conflict and contestation between the corporations and the global labours, rather than economic integration.

In the last point, key actors of competitiveness in Ricardian economists' point of view are nation-states because a core analogy of competition bases on logic of two countries. This logic tries to simplify the complexity of real world by using assumption only two countries and two commodities (Hay, 2012, pp. 467-469). In addition, the core of economic and political globalisation is the transformation of the nation-state to be a 'competition state' that relies on not only the global competitiveness and marketisation, but also symbiosis of state intervention and domestic capital (Cerny, 1997, pp. 251-252). Nonetheless, Marxian approach has taken non-state actors which are TNCs to be a center of analysis since 1960-70s. In the globalisation period, the corporations as 'actors' are productive organisations to create a competition of market exchange which works on a global scale (Jessop, 2013, p. 100). Baran and Sweezy (1966) is an example of Marxian political economists who have studied the giant corporations as main actors to explain the capitalist economy because corporations, which have own labour and resources, can manage the flows of capital and run the global value chain across the world economy.

After considering a comparison carefully, this article attempt to employ Marxian approach to answer how is competitiveness understood in the context of economic globalisation. In next part, the article concentrates on logic of Marxian political economy to explain competitiveness as a monopolisation of global capitalism.

How Does Competitiveness Work in term of Marxian Approach ?

In term of Marxian political economy, the core idea of classical liberal economy is a competition that drives capital to expand and to produce surplus value in the form of profit. To achieve economic capacity, the competition is established as a source of competitiveness. In the defining capitalist competition, Karl Marx illustrates that is the mobility of investment among several commercial, financial, and industrial activities across space-time (Jessop, 2013, p. 96: p. 100). Therefore, there are three points to explain incentives of competitiveness: state-corporates relation, neoliberal idea of multilateral agreements, and global indicators of competitiveness.

To discuss about *state-corporates* relation, although some arguments support the global competitiveness because trade liberalisation could leads to the more opportunities of jobs in several sectors and comparative advantage leads to utilisation of resources that increase higher real incomes of people and economic growth (O'Driscoll and Cooper, 2010, p. 193), the Marxian concept of competitiveness refers to the capacity to gain economic competitions and control over differential accumulation that the competitiveness supports 'firm-specific advantages' more than 'national advantages' because elements of production in market system bases on profit rates of corporate advantages as the basis of monopolistic competition that facilitate a few huge corporate's accumulation at the expense of less profitable firms (Jessop, 2013, pp. 105-106). Furthermore, in Baran and Sweezy's argument (1966), the main purpose of capital accumulation is an increase of surplus as much as possible because giant corporations need to build the concentration on lowering costs and maximising profits. Therefore, Baran and Sweezy's concept of monopoly capitalism is 'the tendency of the surplus to rise' as a new idea which replaced 'the tendency of the rate of profit to fall' in the orthodox Marxist approach (Foster, 1986, p. 16).

Turning to talk about neoliberal idea of *multilateral agreements,* Cerny (2010, p. 129: pp. 140-148: p. 155) argues that neoliberalism is embedded as a 'common sense' ideology behind globalisation. It consists of five projects: toward a more open economy to make competitiveness, embedded financial orthodoxy in the national policy, being the competition state, reinventing governance as the public-private partnership, and supporting good governance and democratisation. The WTO's Uruguay Round, for instance, is a legacy of the 1970s neoliberal project that creates an economic centralisation of market rule in case of multilateral trade negotiations within the General Agreement on Tariffs and Trade (GATT) from 1986-1994. According to McMichael (2000, p. 127), The Uruguay Round is an international mechanism of agribusiness hegemony to centralise world agriculture and food economy that serves the interests of international corporations.

Global indicators of competitiveness also promote the competitiveness because it is an index to show that which countries are integrated into the world market. Particularly, the annual report of the *World Economic Forum,* which is called the Global Competitiveness Report, is a key index to identify prosperity of each country. Some risk countries would be manipulated and pressured by the international organisations to create market efficiency and to change the set of institutions, policies, and factors that determine the degree of productivity of each country.

Consequently, the economic competition and comparative advantages are promoted by the dominated corporations and the state policy to maintain good macroeconomic environment, the neoliberal multilateral agreements, and the global index of competitiveness. To apply Marxian approach and practice, a case study of the global trade of agriculture-food system is considered in next section.

Monopolisation and Competitiveness: A Case Study of Global Food Politics

To understand competitiveness in case of Marxian approach, the global of politics can demonstrate how competitiveness works in the economic globalisation. *Global Food politics* is the global struggle and power relations that identify who and how the losses and gains from state action and agricultural sector to allocate foods, agricultural products and resources (Paarlberg, 2010, p. 2). Furthermore, Magdoff, Foster, and Buttel (2000, p. 9) defines the world's *agricultural-food system* as the element of the farmers who produce the food and the industry and corporation that supplies farmers with inputs such as seeds, fertilizers, tractors, fuel, and then processes and distributes the food.

As mentioned above, monopolization of global food economy comes from competitiveness in three points: states and agri-food corporates relations, multilateral agreements of agricultural and food trade, and global indicators of global agri-food market.

(1.) *State-Corporates Relation* in Global Food Politics: Competitiveness, the Giant Corporations-State Relations, and Centralisation of Capitals

In economic globalisation, the Ricardian economists support the concept of 'international division of labour' to increase competitiveness. Since the nineteenth-century, the agricultural-food system has performed under the Ricardian idea of economy that related to colonialism in the free trade of British hegemony. In addition, the U.S. hegemony in the twentieth century created an alternative model of protectionism of manufacturing and agricultural sector, such as the 1935 Agricultural Adjustment Act and the USDA price-support program setting domestic prices above world market prices. In order to specialisation of food production, U.S. exports of agribusiness technologies and foreign aid programs for the developing countries were implemented which were call the green revolution project (McMichael, 2000, pp. 128-131). Consequently, agribusiness corporations not only found new markets in the Third World, but they integrated global commodity chains connecting agricultural sub-sectors across countries.

Table 2: The first top corporation in the world food system

Agro-Trader Nexus	Company	Market value (12 May 2012)	Notices
Agro-Core	Monsanto	US$38.5 bn	The world's largest biotech company which owns 90%of the US soybean crop and 80% of the GMO corn crop.
Trader-Core	Cargill	US$53.5 bn	The world's most powerful grain trader.
Food-Core	Nestlé	US$196.4 bn	The most powerful global food conglomerate.
Retail-Core	Wal-Mart	US$202.4 bn	The world's largest retail firm.

Source: Compiled from Baines, 2014, p. 91.

In addition, the root cause of the food crisis is the monopolisation of the corporate regime in the world food economy (Holt-Giménez and Peabody, 2008, pp. 1-3; Holt-Giménez and Shattuck, 2011) that is elaborated in Table 2. The group of corporations in the world food system control the whole process of global food supply chains from seeds to retail product. Only few companies control food system that can be seen Archer Daniels Midland, Cargill, and Bunde in the world's grain market and Monsanto controls three-fifths of seed production (Holt-Giménez, 2008, p. 4). In particular, Baines (2014, pp. 107-108) defines the process as *the Agro-Trader* nexus which aims not only a rising profit growth, but also restricts the potential growth of profits of other firms with food supply chains. The giant corporations centralise the whole process of agri-food system from crop to retail products, such as Monsanto, Cargill, Nestlé, and Wal-Mart.

Turning to consider the role of the state to create competitiveness of the global trade of agriculture-food system, TNCs' agreements have been pushed by the U.S. government and international organisations like GATT and WTO. Arguably, the liberalisation of agriculture and food trade of the Uruguay Round embodied transnational corporations and state regulations to monopolise the food system. In 1994, for instance, 50% of U.S. grain exports were controlled by the two giant corporations as Cargill and Continental (McMichael, 2000, p. 134).

Table 3: Potential Gains from Agricultural Liberalisation

	Doha scenario: Beneficiary Region		
	High-income countries	Developing countries	World
Total	$66 billion	$9 billion	$75 billion
%GDP	0.20%	0.09%	0.18%
Per capita	$64.96	$1.77	12.36

Source: Anderson, et al., 2005, cited by Wise, 2008, p. 3.

Furthermore, the expected benefits of agri-food trade liberalisation are less important for developing countries than for developed countries. For example, Wise (2008) studied the impacts of agricultural trade liberalisation and the results showed that the promise of agricultural trade liberalisation is overstated, while the costs to small-scale farmers in developing countries are often very high. According to table 3, high-income countries reach $66 billion of the $75 billion in gains, nearly 90% of the total. In contrary, developing countries capture only $9 billion in the benefit gains, less than one-tenth of %GDP. This number obviously demonstrates that high-income/developed countries gain the vast majority of the benefits from agricultural liberalisation and competitiveness in the global market.

In this process, the agriculture is not a system of state and society. It is a part of global issues which rely on symbiosis between corporate strategies and government policies. It can be obviously seen that corporate capitals monopolise agri-food economy by using market competition to increase capital accumulation and centralisation.

(2.) Multilateral Agreements as Monopolisation

To understand multilateral agreements under neoliberalism, International institutions, governments, and agri-business corporations have promoted an agricultural trade liberalisation and the concentration of food supply chain and market. An international trade strategy targets on competitiveness that describes the food price crisis as the result of a lack of supply or uncompetitive trade among states (Wittman, Desmarais and Wiebe, 2010, p. 3).

According to McMichael (1992, pp. 343-344) notes that the centralisation of corporate power is a global regulation of the IMF and GATT. The *Uruguay Round and Doha Round,* which include the developed countries led by the United States, the European Union, and Japan, and the major developing countries such as India ,Brazil, and China, are trade openness and multilateral agreements to create economic opportunity, fosters technology and organisation, and the higher level of growth rate of GDP per capita. In case of agriculture, the agreements eliminate export subsidies and reduce 20% in domestic subsidies to facilitate global trade of agriculture-food system. (O'Driscoll and Cooper, 2010, pp. 192-197). Although these multilateral agreements have many disputes about trade barriers and regulations on agricultural subsidies, the trend of negotiation is manipulated by WTO to establish global trade and competitiveness on agricultural products[3].

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[3] Those international organisations formulate economic regulations at the global level to maintain global competitiveness, rather than the national level. Nevertheless, the agriculture and pricing system want both capital-intensive and continually state-supported to assure the prices of food, production and consumption patterns as a protector of global market (DeWalt, 1985, p. 50; McMichael, 1992, p. 360).

For example, the developing countries were forced to dismantle trade barriers and to facilitate international food corporations in free trade by the 1980-90s Structural Adjustment Programs (SAPs) of the World Bank and IMF. The free trade agreements of WTO and the 1995 Agreement on Agriculture (AoA) created market access and restricted government policies. Meanwhile, the free trade also needed governmental mechanisms to maintain a stable food supply and regulations (Holt-Giménez and Peabody, 2008, pp. 1-3). The AoA therefore has ensured commitments on market access and export competition are not undermined by domestic support measures. This is why some domestic support policies, i.e. the rice pledging scheme in Thailand, do not compatible with the AoA and WTO agreements.

In a result of IMF and GATT, TNCs gain economic power by operating in many different countries through producing or processing a commodity and then rise the food supply which bring the price down by assuming a given demand. Local firms cannot function in the low price dropped below the cost of production. Meanwhile, TNCs can absorb the loss for a relatively longer time (Heffernan, 1998, p. 56). For instance, the globalisation supports many TNCs to gain economic power in the local markets and the food supply chain which they operate in the developing countries (Heffernan, 1998, pp. 47-48). Table 4 demonstrate impacts of multilateral agreements on the of U.S. market share in 1997 that has a few corporations control economic flows.

Table 4: The Four Largest Commodity Processing Firms (% of U.S. Market Share in 1997)

Commodity	Market Share	The Four Largest Commodity Processing Firms
Beef	87%	IBP, ConAgra, Cargill, Farmland Industries
Pork	60%	Smithfield, IBP, ConAgra, Cargill
Sheep	73%	ConAgra, Superior Packing, Highenver Lamb
Soybean Crushing	76%	Archer Daniels Midland, Cargill, Bunge, Ag Processors
Flour Milling	62%	Archer Daniels Midland, ConAgra, Cargill, Cereal processors
Wet Corn Milling	74%	Archer Daniels Midland, Cargill, Tate and Lyle, CPC

Source: Compiled from Heffernan, 1998, p. 50.

Moreover, some international institutions and agreements threaten competition and create economic monopoly. In the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) protocol, for example, TNCs agree with this protocol because it licenses genetic materials such as seeds, fertilizer, and pesticide to monopolise inputs of food system and to bound farmers with TNCs' products (McMichael, 2000, p. 140). Consequently, multilateral agreements open the global economy for TNCs to monopolise capital flows and market shares that threaten local economy.

(3.) The Indicators of Global Agri-Food Market and Concentration of Power

Lastly, indicators of competitiveness in case of agri-food market can be understood as a concentration of power of corporations. International institutions created a new principle of 'economic globalisation' as an alternative approach to provide a rationale of neoliberal economic globalisation under the legitimising name of *efficiency* and financial *credibility* (McMichael, 1996, p. 25). Indicator of competitiveness is the politics of 'naming' that has constituted competitiveness as a hegemonic discourse and its effects and role in the reproduction and renegotiation of neoliberal hegemony. (Schoenberger, 1998). Then, the indicators becomes hegemonic in the Gramscian sense that globalisation of 'neoliberal project' has created the indicators of competitiveness which attempted to embed neoliberal ideology as a common sense of all economic idea (Cerny, 2010, p. 129).

An *upgrading* technology is also one of indicator to promote productivity of agri-food system. In case of international organisations, The WTO does not merely support trade liberalisation, but enforces corporate rights to manage consumption as well. McMichael (2000, p. 139) shows that the WTO raises scientific and technological issues linked genetically modified organism (GMO) of foods, which gives benefits for agrochemical corporations such as Monsanto. Since the 1970s, development projects in the agri-food system have brought scientific and technological programs to upgrade agricultural production in the developing countries which called the Green Revolution such as hybrid seeds, chemical fertilizers and pesticides. This situation supports a concentration of power of TNCs that illustrates in table 5. There are only five companies which control 57% of global proprietary seed market.

Table 5: The World's Top 5 Seed Companies

Company - 2007	Seed sales (US $ millions)	% of global proprietary seed market
Monsanto (US)	$4,964 m	23%
DuPont (US)	$3,300 m	15%
Syngenta (Switzerland)	$2,018 m	9%
Groupe Limagrain (France)	$1,226 m	6%
Land O'Lakes (US)	$917 m	4%

Source: ETC Group, 2008, p. 11.

However, over the two decades, food production has increased considerably at over 2% a year while the rate of population growth has declined to 1.14% a year (Holt-Giménez, 2008, p. 1). This means that problems of food system is not a production or food supply, but the problem is a price of food that people cannot reach its.

Not surprisingly, a shift of power from nation-states to TNCs has generated the further transnationalisation of agri-food system and the prioritisation of market liberalisation over social goals. The global trade of agri-food system can be concluded in table 6, based on the corporate food regime (Holt- Giménez, 2011; Fairbairn, 2011).

Table 6: A Shift of Power from Nation-States (Post-war Food Regime) to Corporate Food Regime

Food Regime	Post-war Food Regime (1947-1973)	Corporate Food Regime (1970s - present)
Dimensions	- System of independent nation-states - Market intervention/regulation - US hegemony - Development project during the Cold War era - Agricultural as a national sector	- Nation-state losing political centrality, replaced by TNCs - Free markets and Globalisation projects - Neoliberal policies and privatisation - Increasing power of agri-food corporations

Source: Compiled from Fairbairn, 2010, p. 29.

Hence, a cause food price crisis is *the world agri-food economy per se* rather than productivity. And the competitiveness of the world agri-food economy is nothing but concentration and centralisation of state-corporate power. As a result of this process, global indicators of competitiveness support concentration of corporate power.

Conclusion

With regard to concentration and centralisation of competitiveness, the following conclusions may be drawn. There are two approaches, Ricardian and Marxian economics, to understand competitiveness in context of economic globalisation. After examining my argument carefully, a superiority of Marxian approach over Ricardian one can explain competitiveness through centralisation of capitals and concentration of corporate power in term of state-corporates relation, neoliberal idea of multilateral agreements, and global indicators of competitiveness.

To connect theory and practice, the global food politics is employed to demonstrate how competitiveness of agri-food economic system is promoted in global capitalism. Arguably, a mutual dependence between economic globalisation and competitiveness supports monopolisation of the global economy. The competitiveness has created new form of food regime as corporate food regime that agri-food TNCs have become a key actor since the 1970s. Concentration of TNCs power is constituted by the giant corporates-state relations, multilateral agreement, and neoliberal hegemonic idea of indicator of competitiveness.

The concentration of economic power in every segment of food and agriculture can harm both farmers and consumers. At every process of the agri-food system, there are TNCs squeezing benefits out of farmers, peasants, retailers, and consumers. Consequently, democratisation of food system is necessary to create more choices for the people, but it cannot happen within the centralisation of competitiveness and concentration of power in the global trade.

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