

Answers to Questions for the Record  
Confirmation Hearing of Christine A. Varney  
Before the Senate Judiciary Committee  
March 10, 2009

Questions from Senator Grassley

As you know, I have been extremely concerned about increased agribusiness concentration, reduced market opportunities, fewer competitors in the marketplace, and the inability of family farmers and producers to obtain fair prices for their products. I have also been concerned about the possibility of increased collusive and anti-competitive business practices in the agriculture sector.

I believe that the Justice Department's Antitrust Division needs to dedicate more time and resources to agriculture competition issues. The Justice Department must play a key role in limiting monopsonistic and monopolistic behavior in agriculture.

1. I would like to get a commitment from you that the Antitrust Division, under your watch, will pay heightened attention to agribusiness transactions. If you are confirmed, can you assure me that agriculture antitrust issues will be a priority for the Antitrust Division?

Answer: Yes. Agriculture antitrust issues will be a priority for the Antitrust Division, if I am confirmed as Assistant Attorney General for Antitrust. The recent increases in food costs have had a significant impact on consumers, and having grown up in a large family with six children, I know all too well how this can squeeze a family's budget. As I pledged during my confirmation hearing, if confirmed, I will ensure that the antitrust laws are vigorously enforced. I believe any merger, whether in the agriculture sector or another sector, must be reviewed with rigor.

2. It is my understanding that up until the challenge of the JBS/National merger, there have been no challenges by the Justice Department to any agricultural processing mergers for at least 10 years. In your opinion, should the Justice Department take a tougher stance on agricultural mergers?

Answer: If confirmed as Assistant Attorney General for Antitrust, I will start with the premise that if a merger is anti-competitive, regardless of the industry in which it occurs, it should be enjoined. If only a portion of a merger is anti-competitive and a remedy is available to resolve the competitive concerns, I would, of course, work with the merging parties to create a consent agreement that resolves those concerns, and follow the Tunney Act procedures to ensure public comment on the proposed remedy.

3. I believe that the Justice Department and the Department of Agriculture, which enforces the Packers and Stockyard Act, should collaborate and work together to monitor anti-competitive activity in the agriculture industry. If you are confirmed, will you commit to foster a closer and more productive relationship with the Department of Agriculture?

Answer: Yes. If confirmed as Assistant Attorney General for Antitrust, I commit to working with the Department of Agriculture generally on agriculture antitrust issues, as well as on the enforcement of the Packers and Stockyard Act. I will work to foster a close collaborative and working relationship with the Department with the goal of ensuring the applicable laws are enforced efficiently and consistently.

4. I have reintroduced S. 364, the Agriculture Competition Enhancement Act, with Senator Kohl. This legislation, among other things, would require the Justice Department to issue agriculture merger guidelines. Can I get your commitment that the Justice Department will work with me on this bill and provide me with timely comments?

Answer: As noted above, if I am confirmed as Assistant Attorney General for Antitrust, the agriculture sector will be a priority. As Assistant Attorney General, I look forward to consulting with you on this bill. I am also hopeful that with reinvigorated antitrust reviews of all industry sectors, including agriculture, and with coordination within the Administration, we can work to ensure that anticompetitive behavior, including those activities resulting from monopsonistic and monopolistic behavior, can be thwarted.