

In considering the importance of the Amazon merger with Whole Foods, some history is helpful. The relevant historical context here is not just the history of those two firms, but the longer and broader history of the grocery industry. In particular, it's helpful to see this merger as the next stage in a pattern of falling transaction costs and shifting specializations that have driven that evolutionary process. We can see how the two parties to this merger both came to prominence independently as part of that process, and how the merger is the natural next step.

[Read the full piece here.](#)