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# Book Review

**Seizing Control: The International Market Power of Cooperatives.** By Lee Egerstrom, Pieter Bos, and Gert van Dijk. Rochester, Minnesota: Lone Oak Press, 1966, 200 pp.

Farmers throughout the United States and Northern Europe are facing the same problems—the lowering of government safety nets and the vertical and horizontal integration of the global food industry. At the same time, farmers in the United States, much later than their European counterparts, have come to realize the role international trade will have in their future. They have concluded that, if they wish to have some control over their own destinies and get closer to the ultimate consumer, they will need to work together through cooperatives.

But what kind of cooperatives should they work with? If cooperatives are to save individual farmers, are traditional cooperatives designed to accomplish that salvation? Do they need to change to serve the new needs of members? Can we learn something from the new generation cooperatives being formed in Minnesota and North Dakota?

Gert van Dijk (chief executive officer of the Dutch Co-op Council), Pieter Bos (ag journalist) and Lee Egerstrom (ag journalist and author) raise some of these questions in their recently published book, *Seizing Control: The International Market Power of Cooperatives*. They interviewed leading agricultural economists and business professors from Europe and the United States on changes occurring within world food and agribusiness markets, and on how regional and national cooperatives can seize opportunities to work within these markets. The authors raise difficult questions for cooperative members, boards, and management as farmers attempt to move closer to consumers through value-added processing.

For example, Professors Werner Grosskopf of Germany and Jerker Nilsson of Sweden discussed “horizon problems,” “portfolio choice problems,” and “common property problems” within broad membership cooperatives. Older members preparing for retirement may not want their equity used to position their cooperatives for the next century. Other farmers may not want their cooperatives to expand operations beyond their own production, and still others may neither understand reasons for change nor approve of cooperatives’ strategies.

The book falls naturally into four parts: (1) “Assessing Change in the Global Food System and Its Impact on Farmers,” based on interviews with Douglas North, David Hughes, and Lee Egerstrom; (2) “Assessing Cooperative Strengths When Approaching Change,” with Roel in’t Veld and Vern Ruttan; (3) “Perspectives on Change and Global Market Power,” with Jesper Strandskov, Jerker Nilsson, Werner Grosskopf, and Michael Cook; and (4) “Defining Local Farm and Community Interests in New, Global Markets,” with Arie van der Zwan and Gert van Dijk.

The impact of the book is already being felt in Europe. First published in Dutch in December 1995, it is being credited as the impetus for the development of the Center for Cooperative Entrepreneurship at Nijenrode University in the Netherlands. The new dean of the Business School is Arie van der Zwan who was profiled in the book. Michael Cook covers the ‘whys’ of new generation cooperatives in his section. In the last year, sixty new cooperatives using that model have been formed in The Netherlands.

In *Seizing Control: The International Market Power of Cooperatives*, those of us involved in agriculture and cooperatives come firmly to grips with the knowledge that we can no longer think in terms of business as usual.

**Allen Gerber**  
*President,*  
*Minnesota Association of Cooperatives*

# Book Review

*Cooperation Works!* By E. G. Nadeau and David Thompson. Rochester Minnesota: Lone Oak Press, 1996, 205 pp.

This uplifting, easy-to-read, self-help book is about how cooperatives have re-emerged in recent years as vehicles to solve economic problems and improve social conditions in hundreds of varied and diverse situations across America. E. G. Nadeau and David J. Thompson, long-time activists in cooperative and economic development, compile and examine hundreds of case histories for the reader to consider. They point out how and why this old form of business has re-emerged in recent years as one of the handiest, most successful forms of capitalism.

The authors cite many recent situations in which cooperation works to solve a local or regional problem. The book also provides many little known facts about well-established cooperative businesses.

From the most urban centers in America to the most sparsely populated rural areas, Nadeau and Thompson offer examples of grass roots efforts of enterprising individuals and communities uniting cooperatively to improve their situations. Using diverse examples that we can all relate to, the authors suggest that we would be healthier and happier as individuals and would function more effectively as a society if we treated one another less as adversaries and more as partners living together in this world. Whether a modern-day ESOP (employee stock option plan) or a start-up, value-added business in rural America, cooperatives are rapidly expanding. They represent a business form that solves economic problems, meets social needs, and makes lives richer and communities more enjoyable places to live and work.

The book is not a road map. It is full of references and heart-warming anecdotes illustrating how enterprising people used the cooperative model to solve problems and enrich their lives. The authors point out common threads in cooperative businesses. Whether a project involves a neighborhood or millions of dollars in multi-state food processing, broad-based participation and planning are essential.

*Cooperation Works!* is a solid, uplifting, and hopeful book as these fast-paced nineties bring us closer to the twenty-first century.

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