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A Cooperative Life Cycle Framework

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ABSTRACT

Multiple, often conflicting, theories regarding success and failure of collective action exist. We suggest a life cycle framework of patron-owned collective action in the agricultural sector as a systematic method of deciding when to selectively apply relevant theories of collective action. A dynamic framework appears to better inform the cooperative degeneration hypothesis and suggest actions cooperative leaders may take to avoid checkmate. After outlining endogenous reasons for decline, we recast heterogeneity and vaguely defined property right problems as opportunities for gathering information critical to survival. Of the five phases the framework outlines, we choose to focus on phase three: growth, glory and heterogeneity. We propose cooperative decision-makers possessing an intimate understanding of the dynamics of cooperative growth are in a unique position to evade ownership costs by selecting among regenerative solutions when faced with organizational decline.

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