
Exit and Voice Preferences of Group-Members as a Result of Cooperative Growth

Ophir LASOWSKI¹
Rainer KUEHL²

Abstract: *The term “growth” has established itself in economic and social sciences as not only an indicator, but also a self-evident synonym for positive development. That applies also to previous works which recognized the limited growth characteristic of co-operatives, embedded in their duality as social groups and economic enterprises. In this work we attempt to provide a rational explanation to the behaviour of co-operative group members and its resulting limitation to co-operative growth. Based on these recognitions we then establish the thesis that also a non growing co-operative can perform as a social elevator for its members in the market environment, provided a continuous traffic of members into and out of the group.*

Key words: cooperatives, groups, membership, exit-voice, strategic decisions, growth, behaviour

¹ Institute for Rural Cooperatives at the Justus-Liebig-University Giessen, Germany, ophir.lasowski@agrار.uni-giessen.de

² Institute for Rural Cooperatives at the Justus-Liebig-University Giessen, Germany, rainer.kuehl@agrار.uni-giessen.de