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Co-operative values beyond hybridity: the case of farmers' organisations in the Swiss dairy sector

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Abstract

After the abolition of milk quotas in Switzerland, dairy farmers had to reorganise. New farmers' organisations emerged and traditional co-operatives had to search for strategies at multiple levels (markets, membership, services provision, and diversification) to strengthen their position. In this ethnographic study, we analyse three central co-operative values – democracy, solidarity, autonomy – and their translation and development within the adaptation strategies developed by five farmers' organisations. Despite the many challenges to co-operative values related to a context of market deregulation, the new strategies developed demonstrate the continued importance and rejuvenation of these co-operative values as narratives and practices. In addition, results show a blurring of boundaries between organisations of different kinds (specifically co-operatives and public limited companies) and overlaps in the strategies employed by both (including new forms of collaboration and marketing). Whilst these emerging forms, and the associated strategies and values embodied,

could be read as the hybridization of a traditional co-operative approach, we argue that the concept of hybridity unduly polarises co-operatives and corporates in a way that does not acknowledge the implicit plurality of motivations and behaviours in all forms of business structure. Consequently, the paper argues that looking at the practices of co-operation, beyond rigid categories, helps to understand better how co-operative values are actually enacted within farmers' organisations.

Keywords

Co-operative; farmers' organisation; autonomy; solidarity; democracy

Highlights

- The progressive deregulation of the dairy sector accelerated the restructuring of dairy farmers' organisation in Switzerland
- A framing in terms of hybridity reinforces the binaries it criticizes. Looking at a diverse economy of dairy farmers' organisation allows a better understanding of the on-going social processes.
- The values of democracy, solidarity and autonomy as narratives and practices reflect the diversity of co-operation among Swiss dairy farmers
- Classical categorisation in terms of co-operatives or public limited companies hides the more complex reality of co-operation between Swiss dairy farmers.

1. Introduction

In recent years, the Swiss dairy industry has been dramatically reconfigured, in terms of governance and organisation. The primary reason for this has been progressive deregulation since the 1986-94 GATT Uruguay rounds. These changes can be considered as part of a broader transformation of agri-food systems, often described neoliberalisation (e.g. Wolf and Bonnano, 2014). A few decades ago, the Federal state administrated prices, quantities and trade of milk. Now, there are few barriers left between dairy farmers and a free, globalised market. The last significant step in this deregulation process has been the removal of the national milk quotas system, which was regulating the quantities of milk that each individual dairy was allowed to sell on the markets every year. Created in 1977 by the Federal office for agriculture (FOAG), the quota system acted as a buffer between farmers and the markets and helped to maintain comparatively high milk prices by controlling the level of supply. This system was criticized, however, for its rigidity and the constraints it placed on farmers. Initial amendments allowed the trade and exchange of quotas among farmers. Subsequently, the Federal state then decided that managing markets was no longer within its remit. In 2009, after a few years of transition, the national milk quotas were abandoned. This move was inspired by the idea that markets and economic actors alone should decide how much milk should be produced and marketed. The initial result was that quantities increased and prices fell. However, this deregulation of the milk market deeply changed the relations between the actors of the industry and particularly the power balance between dairy companies and farmers at a collective level.

In this paper we look at how this major change in the governance of the Swiss dairy industry impacted the ways in which dairy farmers co-operate¹. Farmers' organisations had to undertake new roles and responsibilities and adapt their action and structures. Historically, co-operative structures were dominant amongst dairy farmers' organisations in Switzerland. Today, however, dairy farmers are looking for new solutions in a deregulated context, regrouping and combining efforts in different ways. This has resulted in multiple kinds of co-operatives coexisting with corporate forms of farmers' organisations.

The co-operative movement has often been described by referring to the values it mobilises (e.g. ICA 2014), and its specific way of organising economic relationships (e.g. Dunn 1988). These values were often presented as a specific strength of co-operatives. However, they are now criticized by many actors of the Swiss dairy industry as a burdensome inheritance that is allegedly not adapted anymore to the new economic and political context. In some of our interviews, voices call for other forms of organisation, private and liberal, that are supposed to be more dynamic and reactive and easier to manage in a context of market liberalisation, while others long for a co-operative rejuvenation.

In this paper, we look more closely at the relations between traditional co-operative values and the changes happening to the structures and strategies of farmers' organisations. We compare five dairy farmers' organisations, focusing on their different strategies and references to the values of democracy, solidarity, and autonomy. We explore how these traditional 'co-operative values' are used as narratives and, at the same time, how these values reflect in the actual strategies and their consequences for farmers. This will lead us to explore

¹ The relation between agricultural policy models and the evolution of agricultural co-operatives in diverse national contexts has already been studied and described, above all from the point of view of co-operative management and economics (e.g. van Bakkum, 2001, which analyses comparatively EU and Australia/New Zealand case studies).

the usefulness and pertinence of oppositions between co-operative and corporate forms of organisation that are often implicitly framing the literature on co-operatives, for example by referring to ‘two worlds’ (Bijman et al., 2013). Moreover, we aim to show the complexity of the relations between so called ‘co-operative values’, co-operatives and non-co-operative structures and actual co-operation.

In terms of structure, the paper is set out as follows: Section 2 will provide further details on the Swiss context and introduce the case studies; Section 3 outlines the methodology; Section 4 positions the paper in the current literature on co-operation, stepping away from interpretations in terms of hybridity and suggesting to look at the three values of democracy, solidarity and autonomy, as a mean to describe the diversity of farmers’ organisations; Section 5 presents the adaptive strategies developed by dairy farmers’ organisation in Switzerland; and Section 6 discuss how these strategies enact co-operatives values in our case studies, beyond the classical categorisation between co-operatives and other forms of businesses.

2. Context: Swiss agriculture and farmers’ co-operation

2.1 Swiss agriculture, the dairy sector and consequences of deregulation

Swiss agriculture is diverse and farm structures vary significantly according to production and between mountain and low land areas. The average farm size was around 20 hectares in 2016 (FOAG 2016). Swiss agriculture has been highly subsidised for many decades and continues to be so (e.g. OECD 2016). However, currently, the focus of state support has moved away from market control to concentrate on other aspects, globally summarized as multifunctionality (Potter and Tilzey, 2007; Wilson, 2007). This means farmers receive direct payments from the government for providing diverse services for the common good (related to environmental and landscape care, and decentralised population

settlement), but this is de-coupled from food production. At the same time, the price of agricultural products goes down on deregulated markets. Consequently, state support is central in the economic balance of all farm businesses, and even more in less favoured areas, like mountain regions.

The dairy sector is an important part of Swiss agriculture, with about 23,300 dairy farms amongst a total of 53 232 farms in the year 2015 (FOAG 2016). It is divided into two sub-sectors: the 'industrial milk' chain and the specialist 'cheese milk' chain. A single farm is integrated into one of these two chains and this will reflect in the farm organisation, notably on the use of silage to feed the cows, which is forbidden in the milk production for cheese (because of a risk of bacterial contamination). Farms participating in both chains are exceptions². Cheese production has been historically – and remains – very important. Around 40% of the milk production is turned into a large diversity of cheese specialities, in many production facilities, some big but many small-scale (SMP, 2016). This paper focuses mainly on the industrial milk chain. Here, farmers supply big processing companies that produce mainly dairy products for direct consumption (yogurts, butter, milk and pasteurised industrial cheese) and for the food industry (milk powder, butter). This milk supply chain is shaped by a handful of dairy companies (the four biggest process 44% of the milk).

Dairy farmers producing for the industrial milk market have two sales channel options. First they can collaborate with a middle-man, a milk-trader; these take the form of producers' co-operatives, producer-owned companies and private traders. This diversity results from diverging trajectories, regional backgrounds and historical contexts of creation.. Around 70%

² In the case of quantity restrictions in the cheese industry, decided by interprofessional boards with the aim of maintaining high prices in a context of decreasing demand, cheese milk surpluses are however sold to industrial dairy companies.

of the milk circulates in this indirect channel³. The second option is direct milk delivery to a dairy company. This kind of contract is favoured by the big dairy companies, but it is also very commonly applied by small-scale processors. Dairy farmers associated directly to the same dairy company regroup in an association in order to facilitate negotiation and communication with the dairy company. However, the terms of the contracts between the farmer and the company remain individual, and the association acts only as a negotiation platform. It does not engage concretely in the buying and selling of milk, as milk traders (co-operatives or private companies) do in the first option.

Both sub-sectors, industrial milk and specialist cheese, have been hit hard by the progressive deregulation of the markets. However, the industrial milk chain suffered a more dramatic decrease in the milk price, related to the increase in production after the abandonment of the quotas in 2009. Since then, the dairy industry has not been able to reach a consensus on an alternative for national quantity management. Thus, supply is controlled above all by prices and markets. As a result, the price paid to farmers has decreased significantly, and continues to do so, accelerating farm restructuring. This occurred despite the fact that the Swiss milk market is still partly protected from external pressures with customs and subsidies, and that public financial support is very high (as noted earlier)⁴.

In general, the Swiss dairy sector has been affected by growing discordance, competition and lack of trust between the different levels of the supply chain, but also amongst the dairy farmers' organisations (Forney, 2012).

³ Authors' own estimation based on the figures published by the Swiss Milk Producers (SMP 2016)

⁴ According to the OECD, the Producer Support Estimate for Switzerland is 62.4 % of the gross farm receipts and 18.9 % for the EU. Cf. <http://www.oecd.org/tad/agricultural-policies/producerandconsumersupportestimatesdatabase.htm> , consulted 07.09.2016

2.2. Agricultural co-operatives in Switzerland

With its tradition of common land, the co-operative idea has long been known and proven in Switzerland (Eichwald and Lutz, 2011; Purtschert, 2007). A Swiss man, Johann Heinrich Pestalozzi, was one of the pioneers of the modern co-operative system, with a Swiss co-operative law enacted in 1874 (Eichwald and Lutz, 2011). In the dairy industry local co-operatives became a common approach for collective investment in small-scale cheese factories. Later, as Massy wrote in 1956, all the production, trading and processing of milk was organised in co-operatives. At that time, about 4400 local co-operatives existed to purchase the milk, to process it or sell it (Massy, 1956). At the regional and national level, they allied in co-operative federations, which became major economic and political actors. Under the protectionist regime, farmers' federations had directly influenced the agricultural policy and its applications, notably in the management of the quota system, working hand in hand with the FOAG. With the change of paradigm and the removal of the quota system, these organisations lost a significant part of their power and influence.

Today, the number of Swiss co-operatives is decreasing, and the establishment of new co-operatives is very uncommon (Purtschert, 2007). During the last decades of the 20th Century, mergers and concentration of co-operatives occurred, as did transformation into private companies. In the dairy industry, local co-operatives have often been dismantled, or at least have lost their importance and main functions, notably because of the decrease in farm numbers, the closure of small-scale processing facilities and of collective milk collection infrastructures. Larger second-tier co-operatives (regional federations) involved in the milk trading have had to face harsh competition in a tense market.

2.3 Case studies

The dairy farmers’ organisations presented in this paper have all emerged in the context outlined above. Some of them are still traditional co-operative structures of primary (i.e. members are farmers: *Milchproduzentengenossenschaft Glarus und Umgebung*, MPG) or second-tier type (members are local co-operatives: Prolait, Miba). Others are private companies, specifically public limited companies (PLC; German: *Aktiengesellschaft-AG*; French: *Société anonyme-SA*) owned by farmers that emerged from an historical co-operative. This happened either as a strategic choice (aaremilch AG), or by necessity, after the collapse of the previous organisation (Nordostmilch AG). The main characteristics of each case are detailed in table 1. The logic behind the selection of the case studies is explained in the following section.

Table 1: The five case studies, showing the diversity of dairy farmers’ organisations in Switzerland (2015)

<i>Name</i>	<i>Legal form</i>	<i>Members/ shareholders</i>	<i>Background</i>
<i>Prolait</i>	second-tier co-op	Local co-ops	Created after the collapse of a larger organisation
<i>Miba</i>	second-tier co-op	Local co-ops	Long history as a federation
<i>MPG</i>	Co-op	Farmers	traditional local co-operative
<i>aaremilch AG</i>	PLC	‘Farmer Circles’ and dairies	Separation from a larger farmers’ co-op
<i>Nordostmilch AG</i>	PLC	Farmers	Created after the collapse of a larger organisation

3. Data and methods

The data informing this paper was collected as part of a research project looking at the role of farmers’ organisations in the transformation of the dairy sector in Switzerland after the removal of the quota system. The research was originally focused on the development of new ‘local food’ branded produce as a means of adding-value in a difficult market. We adopted an

ethnographic approach, integrating a range of data and mixing different methods as described in more detail below. Our approach was also open to reframing and addressing developments which emerged through the course of the research. This iterative approach led us to develop questions about the evolution of farmers' co-operation and organisational structures which are central to this paper. Specifically, it became apparent that the removal of the milk quota system had initiated a wider debate on the future of farmers' organisations, and the role of co-operative values and practices, which we seek to address here.

A total of 49 semi-structured interviews and 14 informal interviews were conducted with members of eight organisations. The interviews were conducted in French or Swiss German, according to the interviewee's mother tongue. For all the semi-structured interviews, a similar interview guide was used, based mainly on the development of the organisation, its strategies and projects. In the five case studies, the leaders (farmers and professional managers) of the dairy organisations were interviewed. Three case studies were analysed in more depth and the views of the producers-members were also investigated. Additionally, observations (n = 20) were made during official meetings (general meetings, regional or board meetings) and public events related to the initiatives (e.g. inaugurations), where informal discussions with members and access to internal debates were possible. Supplementary information was gained from various written sources (e.g. websites, newsletters, reports, newspapers). The data were coded using NVivo software, focusing namely on the structures of the organisation, the relations within and between organisations, the strategies developed and the values mobilised in the discourses.

4. Co-operatives' values and the diversity of farmers' organisations

Co-operatives, as any economic institution, are based on narratives that express a cultural understanding of their role in the economy, their objectives etc. Traditionally, co-

operatives' principles and values are said to oppose free-market principles or liberal laissez-faire. This relates to their historical origin as responses to major change in the economy related to industrialisation. Today, however, a very diverse set of agricultural co-operatives exists, ranging from big multinationals to small-scale initiatives that try to reconnect farmers and consumers at a local level. In this section we engage with this diversity by looking at the values characterizing co-operatives. First, we look at how two major sets of the literature position the question of values within co-operative structures. This leads us to question the interpretation of co-operatives as hybrids, which has become prominent in many scientific publications, and which reinforce the binaries it criticized. We suggest that applying a similar approach to the diverse forms of farmers' organisations by looking at how values are mobilised and applied leads to a better understanding the diversity of engagement within a complex economy. To do so we introduce three co-operative values that we discuss more in detail in this paper: democracy, solidarity, and autonomy.

4.1. The diverse natures of co-operatives

Yet all co-operatives are said to share similar characteristics, which are summarised by Dunn (1988: 85) as three general principles of use: 1. the user-owner principle, 2. the user-control principle, 3. the user-benefits principle. Despite these common principles, it is possible to identify two distinct framings of agricultural co-operatives in the literature. The first focuses on co-operatives as a strategic response to changes occurring in mainstream agri-food systems; whilst the second describes co-operatives as an alternative to capitalist modes of agriculture and economy. One key elements differentiating these two sets of literature is the way co-operative values are framed and addressed or not.

In the first set of literature, which is clearly dominant, agricultural co-operatives have primarily been understood as a collective economic venture. As a consequence, focus is above all to the pragmatic arrangements in the governance of the co-operatives, with little attention

paid to the values underlying these choices. A transversal topic here is how co-operatives try to improve farmers' positioning and strategies within a market economy, in a more or less direct confrontation with private companies. This results in tensions between the specificities of co-operatives (as described by Dunn 1988) and the logics of efficiency, expertise, performance and economic return; particularly in the context of increasingly competitive global markets. As a consequence, many authors outline that co-operative structures have transformed into something closer to corporate forms of business (e.g. Hogeland, 2006). Others describe the changing governance structures of co-operatives in Europe and elsewhere as 'new co-operative models' (Bijman et al., 2014; Chaddad and Iliopoulos, 2013; Chaddad and Cook, 2004), involving a transformation in members' control and ownership, including the introduction of non-members in the board of directors (BoD) and as owners. However, co-operative structures do still exist and they have not all turned into corporate enterprises. Therefore, many authors describe contemporary co-operatives as hybrids of traditional corporate and co-operative structures and principles (Chaddad, 2012; Gray and Stevenson, 2008; Mooney, 2004; Spear, 2011).

This approach can be contrasted with the second set of literature, which describes farmers' co-operatives as part of a wider movement that criticises the mainstream capitalist economy. This is due to their engagement of different economic logics, relying on collective action, sharing, collaboration and other principles that are said to produce fairer and more sustainable economic systems (see for example Anderson et al., 2014; van der Ploeg 2008; Gibson-Graham 2006). Whilst these 'alternate' enterprises are seen to differ substantively in their goals and structures from the traditional forms of farmers' co-operatives described above, we argue that there is considerable and often underestimated overlap. Consequently rather than opposing two ends of a co-operative spectrum, we suggest that this two sets of literature in fact illustrate diverse enactments of values among co-operative structures. .

Commenté [SW1]: I am wondering if you really even need to go into the 'alternate' approach to co-operatives –

In many ways it is enough to make your argument by saying that this reading of 'hybridity' here alone is inadequate and ineffective (as applied to transformations of traditional, conventional co-ops), without bringing in the wider binary of 'alternate V's conventional groupings.

Your cases don't actually connect to the 'alternate' movement anyhow so your evaluation works without trying to make this link.

What you CAN do is present Gibson-Grahams' argument that economic structures are more diverse than we often read them to be... and this can be usefully applied to understand what is going on here.

Perhaps the comparison you may want to make is that 'alternate' or explicitly anti-capitalist co-ops are more often seen to be value laden and diverse in their practises but this reading should also be extended to all co-ops and forms of enterprise.

Overall I would encourage you to rework the presentation of this lit here and this will help sharpen the analysis.

Such a framing draws inspiration from Gibson-Graham's critic of the 'capitalist hegemony' (1996) that aims at deconstructing a capitalocentric representation of economy by pointing to the diversity of logics that enterprises actually embody. The author offer a theory of a 'diverse economy' (2006) based on a differentiation of kinds of transactions (market, alternative market and nonmarket), labor (wage, alternative paid, unpaid) and enterprise (capitalist, alternative capitalist, noncapitalist). This approach emphasis the multiplicity of logics present in the economy in general, and within individual enterprises as well. This diversity opposes essentialist and binary understanding of 'the' economy (i.e. capitalism) as opposed to non-economic endeavours (e.g. value-based, alternative networks)

This diversity in fact questions the fundamentals of a hybridity perspective. Indeed, talking about co-operatives' hybridity might be a way of recognising the limit of the two categories that shape traditional approaches to co-operatives. However, there are problems related to the hybridity approach too. First, hybridity is often used to produce an unbalanced, one-way, framing. Indeed, the hybridisation lens is apparently best applied to the entities and actors that are different from the mainstream, dominant categories. Although there is a wide literature on the hybridity of co-operatives (i.e., how they integrate corporate logics), there is significantly less work done on the hybridity of corporate structures (i.e., how they integrate more-than-economic logics). In the context of farmers' organisations and agri-food businesses, we argue that hybridity would be more useful if applied to all kinds of businesses, corporate or co-operative alike, as a critic of the reality of the categories we generally use to understand the economy of agriculture and food. Second, the concept of hybridity takes its value from a complex relation to boundaries and categories. Without the prior assumption of fixed boundaries, hybridity would be meaningless (Pieterse, 2001: 226). Because of this relation to boundaries, hybridity can be used either to criticise or accept the categories it refers to. We argue that most of the work done on the hybridity of co-operatives tends to confirm the

validity of a fundamentally binary categorisation, opposing corporate to co-operative forms of organisations.

In this paper, we argue that looking at the diversity of values in farmers' organisations can help us to overcome the dichotomy between co-operative and corporate models. When we try to think about the evolution of agricultural co-operatives in similar terms, it becomes more interesting to look more closely at the factors that influence the situation of the members in their relation to the organisation, and how they foster co-operation or not – rather than to focus on the 'corporate' corruption/hybridization of the co-operative model.

To do so, we focus now on three values largely ascribed to co-operatives: democracy, solidarity and autonomy.⁵ These values are both narratives and practices. As narratives, they are explicitly mobilised in discourses, as exemplified in the general description offered by the International Cooperative Alliance, which emphasise the role of core co-operatives values : *'Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others'* (ICA, 2014).

As practices, they reflect in Dunn's three principles (User-owner, user-control and user-benefits), and are mentioned in multiple literature sources as supporting the main

⁵ It should be underlined that those values apply to a specific group and its members. Even if the group is inclusive (e.g. farmers' co-operatives are generally open to all farmers from there area), co-operation produces always a form of exclusion. This is true also in the Swiss context, where farmers' co-operatives reproduce exclusive processes related to gender (around 95% of the farmers – as head of the farm – are male, e.g. see Contzen and Forney 2016), social origin (access to land is very hard if you have no family farm to take over), and class (e.g. no inclusion of farm workers).

characteristics of a co-operative (e.g. Birchall and Simmons, 2004; Hill and Doluschitz, 2014).

4.2. Democracy

The members' commitment is central in many discussions on co-operatives (Birchall and Simmons, 2004; Cechin et al., 2013). At the level of governance, it translates generally into member democracy. In its simplest expression, this equals the principle of 'one member, one vote', which is often described as central to the definition of a direct and egalitarian democracy in co-operatives (Mooney, 2004; Purtschert, 2007). According to this view, democratic governance is typically characterised by inclusive and equal participation and representation of different interests in decision making procedures (e.g. Cechin et al., 2013). Other interpretations of democracy however do exist. They are often related to large scale co-operatives and include mechanisms of delegation (indirect democracy) or a distribution of votes in proportion to the invested capital (proportional rights) (Bijman et al., 2014; Chaddad and Iliopoulos, 2013). Fundamental here is that the democratic principles ensure that the co-operative members keep ultimate control over important decisions, namely regarding strategic orientations or general management practices.

4.3. Solidarity

The value of solidarity can be seen as a moral translation of several characteristics of co-operatives, such as egalitarian sharing of benefits and shared interests amongst members. Solidarity between members resonates well with the representation of co-operatives as family-like entities, in relation to an agrarian ideology, as described by Hogeland (2015). Co-operatives might promote competition on the market, as a 'competitive yardstick' (Hogeland, 2006), for the benefit of farmers, but they limit competition between their members.

Solidarity is located at the junction of economic interests and a shared identity. For Gray and Stevenson (2008), it is closely related to the constitution of a collective feeling of belonging. Solidarity is often understood as the subordination of individualistic interest to the benefit of the collective. This broad definition is commonly agreed upon, but within this there is a plurality of sub-definitions, notably amongst members.

As an example, Hellberg-Bahr et al. (2013) identify different types of solidarity in their study on German agricultural co-operatives: solidarity as a basic value (relatedness, to vouch for each other), solidarity as members' attitudes towards the co-operative (membership serves realisation of solidary action), and financial solidarity (equal price treatment for all members). A co-operative's BoD has to deal not only with the tensions between solidarity and individual interests, but with these diverse interpretations of solidarity too.

4.4. *Autonomy*

Historically, co-operatives emerged against the threat of monopoly and monopsony within markets. One of their roles has been to empower farmers and to provide alternative market access, freeing them from the domination of the big actors of the agri-food industry (e.g. Hogeland, 2006). This autonomy within the market is related to a more political form of autonomy, which has to do with members' control and capital ownership. This double definition – recalling Berlin's (1958) two categories of 'freedom from' (here, market dominions) and 'freedom to' (here, control the organisation) – addresses autonomy at the level of the co-operative, in its collective dimension: a joint autonomy of the members. In the literature, many authors identify a clear relation between co-operative development and farmers' independence or autonomy. Even if understood in contrasted ways, the same importance is granted to autonomy as both a central value and a fundamental objective of co-operation. For example, van der Ploeg (2008) considers autonomy as the main goal of new

peasantries' struggles against big corporations (and similar actors united in his concept of Empire), and Hogeland (2006; 2015) identifies farmers' independence as one of the central agrarian values that inspired the US agrarian co-operative ideology.

However, there is a real tension between multiple dimensions of autonomy.

Autonomy, or independence, is often formulated at the individual level as well. This is particularly true for farmers whose valuation of being one's own boss has been described in Switzerland (Droz and Forney, 2007; Forney, 2012) and other contexts (e.g. Emery, 2015; Stock and Forney, 2014). This valuation of individual independence sometimes impedes collective mobilisation and collaboration (Emery, 2015; Roessl, 2005). However, as we will see, alternative conceptualisations of farmers' autonomy allow a better understanding of the relations between individual and collective autonomy in co-operatives. Stock and Forney's (2014) analysis of farmers' autonomy as a social tool expands the reach of autonomy as a concept from a narrow definition as self-interest based individualistic independence towards a broader and dynamic conceptualisation, not just as a value to protect and strive for, but as a way to become what one hopes to be. This definition of autonomy does not oppose individual freedom to collaborate. On the contrary, it integrates collaboration and collective mobilisation as a means to reach one's goal, at the individual and collective level. The point is developed by Stock et al. (2014) and Emery (2015), who oppose a restrictive and individualistic definition of autonomy and propose the concept of actual autonomy that includes co-operation to realise collective interests.

5. Contrasted adaptation strategies amongst farmers' organisations

In this section, we describe the different forms of the adaptation and transformation which have taken place in our case studies, in response to the context outlined in Section 2. Our observations and analyses show a diversity of adaptation strategies at different levels:

governance, structures, activities and relations with other actors of the industry. In the following we describe more precisely four strategies: 1. the creation of private companies under the control of the co-operative; 2. the development of co-operation with private actors of the dairy industry; 3. the targeting of niche markets; 4. the structural separation of economic political functions.

All these strategic adaptations are related, more or less directly, to the application, interpretation and/or transformation of the three ‘co-operative values’ described above. Sometimes, the people we met mentioned these relations explicitly, drawing on the three values as narratives. Often however, they just expressed a sense of tension or contradiction, in a more implicit way. We examine how the tensions between strategies and values are negotiated by actors and how values are discussed and reformulated as practices and, arguably, rejuvenated by the actors in the process.

For the sake of clarity and readability, we present these strategies using one single example for each one of them. However, these strategies are often combined by the farmers’ organisations in varying ways. Table 2 at the end of this section summarises the application and combination of strategies for each organisation.

5.1. Dairy co-operatives creating and integrating private companies

According to Bijman et al. (2014), the introduction of a legal separation between the co-operative and its economic activities is a common innovation in the adaptation of internal governance structures of co-operatives. The co-operative creates a separate PLC, which manages the co-operatives assets and develops economic activities. This new company remains under the control of the co-operative that owns 100% of the shares. The main goals here are the reduction of risk and liabilities for the co-operative and more freedom and flexibility for the firm managers (Bijman et al., 2014).

Swiss dairy co-operatives have applied this strategy throughout the 20th Century. Among our case studies, the creation of *Le Grand Pré SA*, by the dairy farmers' federation *Prolait* (Prolait fédération laitière) follows this approach. Prolait is a regional second-tier co-operative of dairy farmers. It is organised as a federation of 168 local co-operatives. Its main tasks are milk collection and trade, and representation of its members' interests, first in the negotiations with economic partners. Compared to other producers' organisations that see themselves as 'economic actors' only, Prolait engages also in more political debates, at the regional level by lobbying for projects that would be beneficial for dairy farmers and by participating in the national debate through its membership in the Swiss Milk Producers federation. On the market, Prolait depends largely on one customer that buys 80% of its milk. Unsatisfied with this clear dependency and with the resulting limited autonomy in the milk trade, Prolait set a new strategy with the aim of gaining added value for milk, strengthening autonomy from big dairy companies, and enhancing its members' loyalty and identification with the co-operative (see also author&author 2016). In 2011, Prolait took over the production of local cheese specialties in the town of Moudon. To do so, the federation founded the PLC *Le Grand Pré SA* in order to build and run a local cheese factory. At the same time, Prolait created a new corresponding brand for dairy products, positioning these products as 'local'⁶. At the operational level, the new firm benefits from a large degree of autonomy from the co-operative. Nevertheless, ownership remains in the co-operative's hands, and the milk processed in the company and under the company's brand is exclusively delivered by the co-operative.

⁶ We have discussed elsewhere the complexity and ambiguity of the 'local' in this kind of food network, see author & author 2016

Prolait refers extensively to the importance of solidarity between dairy farmers, within the co-operative and at the national level. The creation of the firm Le Grand Pré SA is totally integrated in this narrative: All the members' invested collectively in this cheese factory – through the action of the co-operative – and all the members should benefit equally from the profits that will result. Indeed, the milk used to produce the cheese represents a tiny portion of the amount traded by Prolait, but the added-value gained in this niche-market is then distributed through the standard milk price for every producer-member. This emphasis on solidarity is stated clearly by a member of Prolait BoD:

We manage the risk co-operatively, because everyone participates in the investment fund, but later we also manage the benefits co-operatively. And the [other] farmer, the one whose milk will never be processed in this new dairy (...) will still profit from this additional cent. Like that you can weld together the farmers. (...) Like that everybody should be interested in the well-functioning of the project. (...) Because this is very uncommon... Normally you share the loss but never the benefits.

(BoD member, Prolait)

According to Prolait management staff, farmers' weak position in the milk market should be solved by solidarity and collaboration, by finding collective solutions. Co-operative members are also aware of the potential of collaboration:

The farmers will lead this. It is a whole group of farmers and this has a different weight. A single farmer can do nothing.

(Dairy farmer, Prolait).

However, the development of the PLC within the structures of the co-operative presents a challenge to the democratic and user-control principle. The co-operative BoD keeps a clear control of the firm business: The co-operative owns the firm; the co-operative BoD is represented in the firm's BoD, and the director is the same for the two entities. Still,

members' participation in decision-making processes is very indirect, as the firm is run as a separate enterprise. Co-operative members are clearly aware of this lack of control over the affiliated PLC. A farmer even described his lack of insight on the firm business as '*a big grievance*' (dairy farmer, Prolait). This situation clearly impacts the transparency of the firm activity and accountancy. However, the majority of individual members we interviewed were not overly worried about this, probably because of the already existing distance and an already weak feeling of control by individual farmers over the large second-tier co-operative. Obviously the complexification of the co-operative structures resulting from the creation of a dependent company increases this distance, both at the level of objective control power and the level of subjective sense of control.

5.2 Collaboration with local dairy companies

The history of farmers' co-operatives is closely related to collective investments in processing facilities, in Switzerland and more generally in western countries (e.g. Hogeland, 2006). One of our case studies shows an alternative way of vertical integration, including close collaboration between the farmers and a dairy company, at a local level. This happened in the mountainous canton of Glarus between the MPG, a local co-operative of dairy farmers, and Geska AG, a local family company and currently the only manufacturer of an ancient cheese specialty called Glarner Schabziger®. Since 2000, MPG began to produce a specific kind of curd (Swiss German: Rohziger) which is the main pre-product of the Glarner Schabziger®. In 2009, after lengthy negotiations, MPG and Geska AG finally decided to create together a new PLC that would take care of processing MPG milk into good quality curd. The local farmers' co-operative holds 51% of the shares of this new company. New production facilities were constructed and integrated into the Geska AG building and production started in spring 2013. This joint venture of dairy farmers and the cheese

manufacturer will ensure milk sales, guarantee a good milk price for dairy farmers and secure the production of Glarner Schabziger®.

In this specific case, the joint venture by MPG and Geska AG includes renewed interdependencies, of course between members of the co-operatives themselves, but also between the public limited company and the local farmers. Reciprocal dependency and shared feeling of responsibility are emphasised in interviews, both from the side of the company and the farmers:

This interdependency is bigger now, now we have only one supplier. This supplier is represented even in the management structure, we can't let things get messed up, because then we shoot ourselves in the foot ['drive in our own living room'].

(Member of GESKA management)

This is certainly not a bad thing. GESKA is obligated as well and is reliant on us.

(Dairy farmer, member MPG).

Some farmers interpret this new situation as ambiguous and as a loss of control over the production of curd: Farmers have to share this control with their new partner. However, most seem happy with the new company, Glarner Milch AG. As a result, MPG is now the only provider for the Glarner Schabziger® production, without a competitor. This situation provides an important protection from market fluctuations. Furthermore, farmers gained more collective control on the milk price and the curd production (quantities). In other words, renewed interdependencies, through a collective investment, have a positive impact on the level of farmers' control and autonomy. Obviously, interdependency implies a balance in power relations and the fact that Geska AG is a comparatively small company with significantly less power than other major players in the industry is no coincidence. This goes along with the specialisation in the production and marketing of a very specific product. This

marketing strategy partly protects the two partners from the pressures related to the national and global milk market.

5.3. Targeting niche markets

As we have already seen with the example of Prolait and the cheese specialities produced under the brand 'Le Grand Pré', some of the farmers' organisations we studied have engaged in the marketing of dairy products. In itself, this is nothing new, as farmers' co-operatives have tried for a long time to find added-value by marketing directly the products of their members. However, one particularity here is that all these new marketing initiatives target niche markets, by developing a specific brand. Some draw on the 'local food' trend to position their products as a means for 'reconnecting' producers and consumers. Others target export markets, using a 'Swiss quality' image. The actual ways of doing vary significantly, in the relations with processors and retailers, the markets targeted, and the success met. But for all these marketing ventures, the milk transiting through these specific channels represents only a small portion of all the milk traded by the organisation.

As an example, the MIBA federation (*MIBA Milchverband der Nordwestschweiz*) recently resurrected the almost-forgotten MIBA brand that was once well-known in the north-western part of Switzerland. MIBA has a long history as a co-operative dating back to 1905. Until recently it was a second-tier co-operative federating 171 local co-operatives located in the north-western region of Switzerland (German- and French-speaking parts). In 2015, however, it transformed into a primary co-operative structure, with dairy farmers becoming direct members. MIBA is active in the milk trade and sells its members' milk (apart from the 'cheese-milk') to six dairy companies in Switzerland. In 2010 the co-operative founded a new wholesaling company, *MIBA Milchprodukte AG*, which started to distribute the milk products of various manufacturers to commercial customers like restaurants, hospitals, rest homes, and

retailers. The intention was also to use the company as a launching platform for MIBA's own brand. Since 2013, dairy products made from 'regional' milk (from MIBA members only) have been produced there, partly under the MIBA brand, for regional marketing. As MIBA does not possess processing facilities, this venture includes collaborations with processors. MIBA products are now sold by other retailers too.

Despite the marginal nature of these product sales (as part of the overall business turnover), there is an explicit objective of getting some autonomy from the big dairy companies, beyond the direct economic added-value. Dairy farmers' organisations struggle to find this autonomy in the mainstream 'industrial milk' channel, which is dominated by powerful actors. The development of marketing strategies is then a means for multiplying and diversifying the purchasers and developing alternative markets. According to our interviewees, in these alternative value chains, the dairy farmers' organisation is able to get more control, make decisions and finally to give price guarantees for the milk delivered by its farmers. This autonomy is not perfect and is limited to these specific activities, but the organisation no longer depends 100% on others (corporate dairy companies), as underlined by a member of MIBA management:

We will never be in a strong position in comparison to them, because they hold the capacity of processing. However, although we can only send small signals and process small amounts [of milk], this is still better than doing nothing and being 100 percent dependent. Because later, we will have opportunities for other projects, for new projects.

(Member of MIBA management).

Here, the symbolic value of these initiatives is underlined. Being autonomous is also to be able to think of new projects and to feel able to actually do something against the difficulties characterising the industry. Furthermore, through the development of their new strategies, the co-operatives also gained autonomy through the mastery of new knowledge and

skills, notably on the functioning of the milk market and the supply chain. According to our interviewees, this is useful in negotiations with other dairy enterprises and dairy organisations: They are now better informed and better prepared.

5.4 Separation of political and market functions: new public limited companies

Amongst our case studies, there are a few examples of dairy farmers' organisations that are not legally defined as co-operatives, but as PLCs. These organisations are farmer-owned and, according to their BoDs, still follow a clear 'co-operative philosophy' or 'co-operative spirit'. They were created because of structural changes within farmers' organisations and emerged from a co-operative background, but are now fully independent from other co-operatives. They act as milk-trading companies, buying milk from the producer-members and selling it to diverse dairy companies, with the objective of getting the highest milk price for their members. In this sense, these companies are still farmer- and owner-oriented, but they identify themselves as 'economic actors' only, in opposition to other organisations that play more explicitly a political role in the regional and national arenas, e.g. through lobbying or communication in the medias.

The move from a co-operative structure to a PLC potentially impacts on essential aspects of co-operatives, ownership and control rights. According to Chaddad and Cook (2004), those are essential factors in the understanding of organisational innovations in co-operatives, and they define a variety of governance models. In a later publication, Chaddad and Iliopoulos (Chaddad and Iliopoulos, 2013) assess the several models of governance they identified amongst farmer-owned businesses and place them on a 'member control' continuum, ranging from integration to demutualisation.

The case of aaremilch AG exemplifies such move from a 'traditional co-operative model' to another one, closer to a 'corporate model'.

Aaremilch AG was founded in the year 2007 by separating the milk-trading business from the Bernese farmers' co-operative. The shareholders are so-called 'milk circles' (German: Milchringe) as well as 43 affiliated cheese dairies. The milk circles are amalgamations of local dairy co-operatives, associations or groups of dairy farmers, which are regional structures existing already long before the company's foundation. The circles are unevenly organised, depending to regional dynamics. Seventy-five per cent of the shares are divided according to milk quantities delivered by the milk circles. The presidents of the milk circles and sometimes further delegates represent the milk circles at the shareholders' general assembly (GA). Members of the BoD are elected by the GA. In other words, the company is generally organised in a similar way as a second-tier co-operative, with a significant difference in the distribution of control rights. A traditional Swiss co-operative would follow the principle of one member-one vote. Here the model is proportional distribution of control rights. Interestingly, the proportion of votes is related to milk production, and not to capital, in opposition to other proportional control systems found in some co-operatives or in the shareholding principle.

In addition, the director of aaremilch AG, a professional manager who already held a managing position in the former co-operative structure, owns a significant 25% of the shares. This equals 25% of the voices at the GA and consequently gives him considerable influence. Apparently this choice has been deliberate and has even been requested by the BoD as proof of commitment to the company. This de facto allows ownership and control by non-members. This integration of non-farmers extends as well to the BoD, even if following aaremilch AG's constitution the majority of the BoD members have to be farmers. As said, this kind of adaptation has been well documented for co-operatives (e.g. Bijman et al., 2013; Chaddad and Iliopoulos, 2013) with conclusions that generally highlight the loss of control by members. Indeed, the BoD could take most of the decisions alone. However, from the interview data, we

infer that the milk-trading company has been managed quite democratically, so far. A board member of aaremilch AG minimises the impact of the legal form on the democratic principle:

In a co-operative it is first of all about voice and influence. And in a market organisation like we are, other topics are at focus. Although, sometimes we are somewhat struggling with this balance as the individual milk producer, logically, wants to have a certain influence. But we have the feeling that with this mixture we have, we are a PLC [AG], but we still maintain to some extent the philosophy of a co-operative. Maintaining certain restrictions in the constitution; until now it has worked well.

(Member of aaremilch AG management)

This claim of having a ‘co-operative philosophy’ additionally refers to the values of solidarity and to the cohesion within the organisation. As an illustration, an essential incentive for the creation of aaremilch AG has been finding a solution for all the dairy farmers in the region, without letting some fall behind without a purchaser for their milk. According to our interviewees, this spirit of cohesion produces adhesion and trust amongst the members following the idea.

Finally, the leaders of these companies develop a strong discourse on autonomy as a fundamental objective. They are proud to say that the company was created independently, by farmers, and is now able to negotiate with big dairy companies. If they manage to get bigger and stronger, even to confront them and step away from one-sided relations of dependency. In a certain way, this narrative echoes Hogeland’s (2006) description of a co-operative business philosophy, which was already prominent in the US of the early 20th Century and supported notably by the Californian attorney Aaron Sapiro, that wanted farmers’ co-operatives to get big and strong enough in an attempt of ‘Out-Cargilling Cargill’.

Table 2: Strategies applied by dairy farmers’ organisations in Switzerland (2015)

<i>Name</i>	<i>PLC creation</i>	<i>Local collaboration</i>	<i>Niche markets</i>	<i>Splitting of PLC</i>
<i>Prolait</i>	X		X	
<i>Miba</i>	X	X	X	
<i>MPG</i>	X	X	X	
<i>aaremilch AG</i>				X
<i>Nordostmilch AG</i>		X	X	X

6. Discussion: beyond corporate and co-operative models, the enactment of co-operative values

Our case studies show clearly that the ‘hybridity’ is not confined to traditional co-operatives and that tensions exist in all organisation types we met, amongst dairy farmers’ organisations. The new milk trading PLCs are not less ‘hybrid’, showing characteristics and referring to the values of a co-operative whilst having the legal form of a private company. Leaders of the PLCs describe their organisation to be ‘like a co-operative’, which means having the philosophy and ‘positive aspects’ of a co-operative as well as the positive characteristic of a flexible market organisation. All our interviewees refer explicitly to contrasted and multiple logics and values when talking about how they understand their organisation, its goals and functions. In doing so, they express at the end very similar narratives. However notable nuances appear, above all about how the best way to enact these values in the management of the organisation. The statement that the organisations draw simultaneously on diverse logics and values echoes Gibson-Graham’s (2006: 74) conception of enterprises in the diverse economy perspective: Any one business will encompass various kinds of transactions (market and nonmarket), labour (waged, unpaid) and processes of production, appropriation and distribution. This is definitively the case for the farmers’ organisations we studied. None of them can be really understood in a simple economic category, for instance in relation to the structural organisation. All of them provide place for

Commenté [SW2]: If there is any more scope to evidence an demonstrate this even more than you currently do that will strengthen the paper further – I see a real strength of your work is the depth of the empirical insight and it is a shame more can’t be share. BUT I also think you do well to organise and present a snapshot from each in the current form, I just wonder if more quotes could be shown, particularly to demonstrate the tensions – the need to hold on to co-op values whilst exploring new structures / mechanisms...

Commenté [FJ3R2]: If you think we need more interviews quotations, I’ll see what I can do, however, We are already at 10800 words...

Commenté [SW4]: This is why I suggest you set this up better in the lit review. In particular I think you make a good argument that co-ops embody certain values, but it is not always clear what the values of non-co-ops are supposed to be... your argument is that capitalist enterprise are diverse but you need to be clear what the binaries are. Maybe give more detail on GG’s work here... particularly from ‘The End of Capitalism...’ and note how others have developed this since with readings of the social economy etc...

negotiation and management of tensions between diverse imperatives, values and practices. Being a co-operative or a PLC per se, in this sense, has arguably less importance than what is often assumed. At least, our results show that the specificity of co-operatives is not to be found in a so-called ‘hybridity’ and in the tensions between antagonistic logics.

We want now to come back to the three ‘co-operative’ values that we use in our description and understanding of strategies and adaptation developed by the Swiss dairy farmers’ organisations, through and beyond the narratives on values. What can we say if we try to identify general challenges or evolutions in the definition of ‘co-operative’ values? How do our case studies help us to have a better understanding of what these values actually mean in the current Swiss context? How can we understand the impact of the recent deregulation on the co-operative spirit in the Swiss dairy industry?

6.1 Competitiveness, democratic participation and trust

In all our case studies, tensions exist between democratic principles and the economic functioning of the organisation. This is no real surprise as similar problems have been often identified in the literature (e.g. Chaddad and Iliopoulos, 2013; Mooney, 2004; Nilsson et al., 2012; Pozzobon and Zylbersztajn, 2013).

For the managers of the organisations we studied, democracy’s only problems are its rigidity and slowness, that produce inefficiency on a market where flexibility and fast decision are seen as crucial, above all for comparatively large structures. For example, one member of MIBA’s BoD commented negatively the possibility of giving more decision-making power to the members (i.e., delegates):

I like discussions and democracy, but, like this, it will be difficult to decide. [...] It would be a lot of effort to keep the delegates well-informed. We would need at least three delegates’ assemblies per year. Costs of administration and manpower requirements would rise.

One of his colleagues puts it more radically, saying that the co-operative system might be good, but could also be ‘fatal’ by slowing the organisation strategies and therefore ruining its competitiveness. At the same time, in the interviews, MIBA farmers complained about the difficulty as an individual member of influencing the organisation’s strategy, constitution or politics. At this time, they referred to the complexity of members’ actions due to the federative structures⁷.

We mentioned the issue of the growing distance and loss of control between individual members and governing instances in relation to the foundation of private firms by the co-operatives. Here the distance is not related to growth, but to structural barriers and complexity of the organisation. However, as said, most of the members we interviewed did not point to this situation as a problem. Rather, they emphasised positive aspects. The development of the firm and of the cheese production, was presented as a sign that the BoD was actually doing something to improve the members’ situation. In these cases, the loss of democratic control was compensated by other aspects and, potentially improved the trust that members have in the organisation. This echoes in some ways the requirement by aaremilch’s BoD that their director participates in the shares at a high level (25%). What is objectively a loss in the control power of the producers-members is presented as a proof of commitment for the common interest.

⁷ Shortly after the end of the research, MIBA simplified its structures, by changing from a second-tier to a primary co-operative. In addition, MIBA and Nordostmilch merged their milk trading activities and created the ‘Mooh’ co-operative. This new organisation has around 3000 members (dairy farmers) spread over a large portion of the national territory (in the North, in 17 different cantons). Nordostmilch has been dissolved, but MIBA still exists, in relation to other activities. We did not integrate this new development in the paper as it happened after the end of the research project.

6.2 Identification and solidarity

Members' adhesion and identification to the organisation, as well as trust are important for the success of co-operatives and co-operative-like organisations success. As Nilson et al.(2012) frame it, these elements form the organisation's social capital, which is a co-operative advantage of this kind of businesses over their corporate competitors. It seems that the BoDs of the organisations we studied are aware of the threat of losing members' identification and of the importance of maintaining identification and trust. One of the reasons is that in the new competitive context, there is the risk of losing members who would be attracted by another organisation, hoping, for example, for higher prices. To be competitive the organisations have to offer the highest prices, or to give other reasons for members' adhesion, in other words, to develop its social capital. This has become at the same time necessary and more complex with the process of co-operatives' mergers and growth. In large co-operatives, the heterogeneity within the members has grown at the economic, geographical, social and cultural levels, and consequently feelings of belonging and sameness have decreased.

In our case studies, members' commitment seems to be closely related to the value of solidarity and its varying interpretations. The managers and directors of the organisations have to prove they are fighting for all their members equally and in turn, the members will be committed to their organisation and will trust each other. This reflects in the plural form used by a Nordostmilch AG producer-member whilst saying: "*WE support them because they are doing something for US.*"

Nilson et al. (2012) identify a trade-off between financial capital needed for investment and an organisation's stock of social capital in the context of strategy of integration. Extending this interpretation, we can point to another trade-off at the level of the members, where they have to weight individual and collective interest one against the other.

The belief in the empowerment resulting from collective action seems to be still very strong amongst both members and managers of the organisations we studied. However, this does not imply an automatic feeling of belonging amongst the members, who express uneasiness in their relation with their organisations.

Interestingly, a professional manager of MIBA, acknowledging first a crisis in the identification of members to the large co-operative, made a direct connection between the strategical choice of re-creating the MIBA brand, and the objective of rejuvenating identification of members. According to him, identification is first promoted by the dynamic of the project itself: Members arguably will see that the co-operative is developing an interesting project and will feel as a part of this process. Second, he emphasises the symbolic aspect of the products, which serve as banners and emblems. As he says, ‘without a product, you cannot create identification’. Finally, he mentions the virtuous circle that might result between the economic aspect of the project and identification: ‘If your product sells well, you have more cohesion between members’.

6.3 Actual autonomy requires some kind of democracy and solidarity

One central and common goal of all these strategies is to strengthen dairy farmers’ position, notably by enabling greater autonomy. In a context of strong deregulation, autonomy is closely related to the economic strength on the market and economic independence of dairy companies. The farmers’ organisations long for more control over milk products and milk prices. With their different projects, they have all made some progress in this direction, gaining autonomy by means of collective action and chosen interdependencies. Their strategies, even if diverging and contrasting, illustrate in a similar way that solutions are found in a collective struggle for autonomisation, in spite of an increasing deregulation encouraging individualist competition. This resonates strongly with the notion of actual

autonomy and independence, as developed by Stock et al. (2014) and Emery (2015), in opposition to individualist values. These authors suggest that actual independence or autonomy do not oppose to interdependency, but to dependency, which results often from unbalanced economic relations.

In our interviews, we found the same tensions between the farmers' individual freedom – in economic and strategic choices – and collective interdependencies to escape from dependencies resulting from unbalanced relations of power in the market. In a classical sense of co-operation, interdependencies based on solidarity between farmers are expected to produce collective autonomy. Interestingly our interviewees expand the link between autonomy and solidarity to other partners (non-farmers), as the example of the collaboration between the MPG and Geska AG has shown. As another example, leaders of Nordostmilch AG, make clear the distinction between what they call 'positive dependency' (or interdependency) and 'negative dependency'. Mutual dependency between the farmers' organisation and its dairy industry partners is described as positive, as long as the partners are equals and as long as it is a win-win situation. Negative dependency is one-sided and might be from the state or from big dairy enterprises. By emphasising this, they underline the difference between interdependency and dependency, which lays in the balance of power between the partners.

We argue that the importance given to mutual or shared interests (this 'win-win situation') and to equality in the relations between the partners are specific reflections of the central values of solidarity and democracy. Indeed, the pursuit of actual autonomy binds the other values together; or in other words, autonomy, solidarity and democracy are inevitably entangled. The way one of these values is effectively enacted in the organisation's strategies and decisions has a strong impact on the two others. Democratic control of an organisation is meant to guarantee that its members' interests are well defended. When an organisation

demonstrates that it works hard for the collective autonomisation of its members, this creates trust and commitment. This identification of the members to the organisation reinforces solidarity amongst members and partners. The complex relations between the three ‘values’ can be articulated in many ways, beyond those outlined here. What seems important is that the three of them appear to be central in any kind of co-operation described above, mainly because they are so fundamentally interrelated.

7. Conclusion

The evolution and transformation of agricultural co-operatives is generally described in a pessimistic way, by underlining a trend of ‘corporatisation’. Whilst adaptations might strengthen economic viability, they are seen to carry a risk of undermining the specificities of co-operative organisations (e.g. Bijman et al., 2014; Chaddad and Iliopoulos, 2013 Nilson et al., 2012). In the current context of Swiss dairy farming, this trend has been reinforced by recent deregulation. However, the pressures resulting from deregulation have, in some ways, re-actualised co-operative values, and inspired strategies to maintain and reassert these in recent transformations. The existing literature often presents co-operatives as being fundamentally different from other kind of businesses, especially corporate ones, due to the values they embody. Consequently, co-operative and corporate models are seen as antagonistic. We argue that such a dichotomy does not allow to fully grasp the complexity of the relation between the co-operatives and corporate businesses, particularly so now in light of recent transformations.

Applying this interpretation to the specific context of our research helps us to partly mitigate the pessimistic narrative of agricultural co-operative decline in three ways. The deregulation of the Swiss milk market did not exclusively promote more competitive and market oriented strategies or values in the management of the existing dairy farmers’ co-

operatives. Whilst we found indications of a weakening of some co-operative characteristics, at the same time we found signs of a rejuvenation of co-operative values. There is no unique trend here, but an ambiguous evolution that both strengthens co-operative values and weakens the structures that traditionally enacted them.

However, our analysis of the strategies developed by Swiss dairy farmers' organisations show, that democracy, solidarity and autonomy are deeply rooted in farmers' practices and narratives of co-operation. The correlation between co-operation as a practice and these three 'values' as narratives produces complex and unexpected outcomes in the way farmers' organisations enact co-operation in a context of change and market deregulation.

Consequently, we suggest that looking at democracy, solidarity and autonomy only as explicit 'values' might be misleading. Doing so, we might overlook the complex relations that unit narratives and practices. As our case studies show, the practice of co-operation impacts the enactment of the three principles of democracy, solidarity and autonomy. There is, we think, still a lot to learn about the interconnections between doing and talking about co-operation between farmers and more generally within agri-food systems.

Commenté [SW5]: Here it would have been helpful to set this up a bit more in the earlier sections looking at values – engaging with your own work on autonomy for instance... this feels a bit thrown in at the end – but could be a strong theme running through.

Commenté [SW6]: Have you shown this? Maybe make clearer...

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