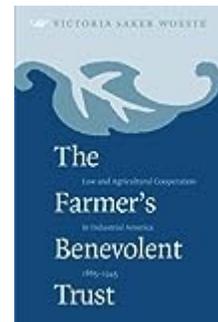


H-Net Reviews

in the Humanities & Social Sciences

Victoria Saker Woeste. *The Farmer's Benevolent Trust: Law and Agricultural Cooperation in Industrial America, 1865-1945.* Chapel Hill: University of North Carolina Press, 1998. xviii + 369 pp.

Victoria Saker Woeste. *The Farmer's Benevolent Trust: Law and Agricultural Cooperation in Industrial America, 1865-1945.* Chapel Hill: University of North Carolina Press, 1998. xviii + 369 pp. \$55.00 (cloth), ISBN 978-0-8078-2421-4; \$23.95 (paper), ISBN 978-0-8078-4731-2.



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Many historical treatments of California agriculture consist mainly in retelling old stories, peopled by stock characters familiar to the readers of Frank Norris, John Steinbeck, and Cary McWilliams. It is refreshing to see careful new scholarship such as Victoria Saker Woeste's *Farmer's Benevolent Trust*, which focuses the evolution of cooperative marketing arrangements in the Fresno raisin industry over the late nineteenth and early twentieth centuries. Unlike the standard broad-bush approach, Woeste concentrates on a single crop, produced in a relatively small geographic area, which seems appropriate given the degree of diversity and specialization prevalent in California agriculture. Moreover, she draws on a new perspective, that of a legal historian, to chart the rise and fall of the California Raisin Grower's Association (1898-1904) and California Associated Raisin Company (1912-23), and its immediate successor, Sun-Maid (1923-to date).

"Wholesome" is the clear message that Sun-Maid's trademark image – a smiling, bonneted girl carrying a basket of sunny California's bounty – is meant to convey. But were Sun-Maid and other farmer coops re-

ally socially beneficial organizations of small, independent producers trying to adapt to the modern economy, as their advocates assert? Or were they merely attempts at monopolization, hiding behind positive PR and preferential treatment from the government? A "brotherhood of producers" or "robber barons in disguise"? These conflicting interpretations of the coop movement are well captured in the 1920 quote from California Associated Raisin Company's president, Wylie Giffen, that gives Woeste's book its title: "Call us a trust, if you want to, but we're a benevolent one."

Answering the 'efficiency versus market power' question regarding a given business practice or organization form is often difficult. The story of the raisin coops told in *Farmer's Benevolent Trust* is highly nuanced, but ultimately Woeste sides with the "robber baron" interpretation. She appears to sympathize to the goals of the raisin growers, and agriculturists in general, of gaining greater control over marketing and prices through cooperation, but is strongly opposed to many of the means used to attain these ends. Moreover, given the cooperative's inability to control production, she sees many of

their efforts as bound to failure. Three elements distinguish Woeste's treatment from the more traditional accounts of the farmer cooperative movement in the early twentieth century. First, she provides highly detailed history of the evolving legal treatment of the agricultural cooperatives at the state and national levels and clearly shows that what the law said was often less important than what the lawyers and politicians did. As one example, although the US Department of Justice had grounds for pressing an anti-trust case against the California Associated Raisin Company almost from the coop's birth, the Congress regularly attached a rider to the department's appropriations forbidding it from using funds to prosecute farm organizations attempting "to obtain and maintain a fair and reasonable price for their products." Similarly, Woeste shows that the impending passage of the Capper-Volstead Act allowed the California Associated Raisin Company to escape more serious consequences from the Federal Trade Commission after the federal anti-trust authorities decided they could not longer stay on the sidelines. A major contribution of Woeste's scholarship is to provide a much clearer picture of the national legal environment in which the cooperative movement operated.

Second, the book gives great attention to diversity among the Fresno raisin growers and packers, who are typically pictured as a cohesive, relatively homogeneous community. Woeste brings to bear new evidence, drawn from ICPSR data sets, on the structure and ethnic composition of production. And she highlights the activities of Armenian immigrants who, despite suffering discrimination by the local 'white' community, achieved considerable success growing and packing raisins in the Fresno area. Thus, she illustrates an interesting example where "ethnic capital" mattered.

Third and finally, Woeste sharply questions some of the means the raisin cooperative's members used to maintain control. In particular, the book carefully documents the extensive use of coercion and mob violence by Sun Maid supporters against holdouts, often Armenian growers, during the membership campaigns of the early 1920s. (Woeste appears at times a little surprised by the night-riding episodes, but if one thinks of the coop membership campaigns like a union organizing drive, the threats of violence do not appear so unexpected.)

Although such accounts of extra-legal pressure are not totally new, they are not part of the sunny "official" line in the histories of agricultural cooperation. And even today, these stories carry a punch. According to

the author, her journal publications about these incidents raised the hackles of current Sun-Maid administrators, leading to them to attempt to control her research and when unsuccessful, to adopt an uncooperative attitude towards her work with their source materials.

There are a small number of subjects that I think could be handled better. For example, Woeste contrasts the "success" of the California Associated Raisin Company in the late-1910s and early-1920s with the failure of Theodore Kearney's California Raisin Grower's Association at the turn-of-the-century. She attributes the differences in performance in part to legal and organizational changes and in part to Kearney's combative and authoritarian personality. I think too little attention is given to the state of the market – the changing strength of international competition, the growth of demand, and the effects, both intended and unintended, of the 19th amendment – in accounting for these differences. And I would have also found useful a more detailed comparison of the performance of Sun Maid with Sun Kist, the highly successful citrus producer's coop.

I think reference to the recent work of agricultural economists and economic historians (Lawrence Shepard, Gary Libecap and Elizabeth Hoffman) analyzing farmer cooperatives, especially Sun Kist, would have improved Woeste's analysis. The view that coops acted like monopolists enjoying anti-trust immunity and preferential tax treatment from the federal government is not truly revisionist today. Finally, from the perspective of an economist, the work contains a handful of the standard problems of historical studies-numerous tables on market data that are not analyzed using economic models, prices and returns which are not adjusted for inflation, and vague statements about "overproduction." But these are minor quibbles that take nothing substantial away from the value of Woeste's contribution.

A recent examination of the University Press catalogues and conference display tables reveals the arrival of a large new crop of books about California's agricultural history. One hopes they are all as insightful and original as Woeste's study.

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