Course Syllabus
2017
AAE 323 Cooperatives

Instructors: Anne Reynolds (anne.reynolds@wisc.edu), 608.263.4775, Room 235 Taylor Hall
Courtney Berner (cberner@wisc.edu), 608.890.0966, Room 220 Taylor Hall

Time and location: Tu & Th 11:00 – 12:15; 119 Babcock

Office hours: Hours by appointment

Course Description

Cooperative businesses exist in a wide variety of sectors within the U.S. economy, and represent a distinctive model for organizing labor, capital, and knowledge to produce goods and services. Studying cooperatives aids understanding of all aspects of industrial structure and business organization, and challenges conventional thinking about what it means for an economic system to be “capitalist”. Fundamentally, a cooperative firm represents a unique form of business ownership where “patrons”, rather than financiers, are business owners.

Course Objectives

● Understand the role and characteristics of cooperation, collective action and cooperatives
● Apply understanding of cooperative finance and governance to the management of cooperatives

Class participation

● Arrive on time
● No laptops, ipads, smart phones etc. in class, except for accessing class docs.
● Check email and course webpage regularly
● If you are going to be absent, let me know before the class begins. If you need to be absent for religious reasons, we can make arrangements. University policy says that you should inform me 2 weeks advance.
● Assignments are due before class.
Evaluation

Evaluation will be based on these three factors:

- **Individual performance:**
  - Participation in class, individual assignments
- **Team performance:**
  - Team grades on class activities, feasibility & financial models assignment and Dane County project
- **Final Exam:** 25%

Individual Assignments

There will be three types of individual assignments throughout the semester. The assignments are described below. Additional assignment details, including due dates, can be found on the course webpage in Canvas.

1) **Learn About a Cooperative in Your Community**

Students will write a 2-page paper answering the following questions for a cooperative of their choosing:

- What primary products/services does the cooperatives provide or offer?
- What led to the organization of the cooperative, and when was it established?
- Tell us about the members of this cooperative: Who are they? What do they produce? Where are they located?
- How are members represented in this cooperative? Is there a board? What else can you learn about the co-op’s governance structure.
- How is the cooperative doing as a business? Have sales gone up (or down) in the past couple of years?

Due Date: October 3

2) **Cooperative Start-up Business Canvas**

Students will come up with an idea for a new cooperative business. Each student will complete a business model canvas for their new cooperative business. We will discuss the business model canvas tool in class on October 5 and students will have an opportunity to turn in a first draft for review before submitting a final draft.

- Assigned: October 5, 2017 (introduce the [business model canvas tool](#))
- First draft due: October 17, 2017
- Draft returned to students with feedback: October 24, 2017
- Final draft due: November 7, 2017

3) **3-2-1 Reading Response Assignments**

Students will turn in three (3) 3-2-1 reading response assignments throughout the semester. 3-2-1 assignments include the following parts:
• Part 1: Complete the readings, identify the reading that you will write about (if applicable) and describe the three most important aspects of the reading, justifying your choices.
• Part 2: Identify two aspects of the reading you don’t understand and briefly discuss why these confusing aspects interfered with your general understanding of the reading.
• Part 3: Pose a question to the text’s author, the answer to which should go beyond the reading content and does not reflect the areas of confusion in part 2.

Due dates:
September 14
November 21

GROUP ASSIGNMENTS
1) Complete in-class discussion questions

2) Feasibility and financial models for start-ups
Each group will receive a case study of a grocery co-op start-up, along with a set of linked spreadsheets that can be used to assess the financial feasibility of the business model. The spreadsheets and the case study will be used to complete a set of discussion questions. There will be time in class to work on this project.
Due date: October 24

3) Using Cooperatives to Support Economic Development in Dane County
This project will present models for 1) increasing affordable housing, 2) providing daycare and supporting 3) food system entrepreneurship through use of cooperation and cooperatives. Research will focus on innovative cases and the policy initiatives that support cooperative solutions in these three areas.

We will form groups to work on the three topics. Each group will complete a section of the white paper and provide a presentation of the results of their research.

1. Provide a white paper that presents models and descriptive cases of cooperative affordable housing, daycare and the food system. The paper will include examples of local, regional and state policies and programs that have supported the successful development of cooperatives.
2. Work with Dane County staff to identify potential needs and opportunities in these three areas, to ensure a relevant and useful product.
3. Recommend next steps if possible.
Due Dates:
• Phase one due October 12 (outline, initial findings)
• Draft of Dane County project due November 28
• Presentations due December 12
• Final draft due December 14
Course Schedule

Please note that this schedule will be updated.

WEEK 1
Thursday, September 7
Course overview and objectives
Introduction to cooperatives
Instructor(s): Anne Reynolds & Courtney Berner

WEEK 2
Tuesday, September 12
Pirate shipboard governance: Cooperation and constitutions (Anne: WHEDA conference)
READINGS:
  Peter Leeson “Opportunism and organization under the Black Flag”, Organizational Dynamics, 40(1), 2011
Instructor(s): Courtney Berner

Thursday, September 14
Cooperatives in the economy and society
Assignment due: Reading response (on either reading)

READINGS:
Instructor(s): Anne Reynolds

WEEK 3
Tuesday, September 19
Childspace Case Study

READINGS:

Instructor(s): Anne Reynolds

Thursday, September 21
Dane County Project Discussion and planning

Instructor(s): Anne Reynolds & Courtney Berner
Guest speaker: Ela Kakde, Dane County

WEEK 4
Tuesday, September 26
Co-op finance basics

READINGS:


Instructor(s): Courtney Berner

Thursday, September 28
Co-op governance basics

READINGS:

   Brent Hueth and Anne Reynolds, A life-cycle perspective on governing cooperative enterprises in agriculture, Choices, 2011, 26(3)


   Tammy Meyer, Who runs the cooperative business? USDA Cooperative Information Report 45

Instructor(s): Anne Reynolds

WEEK 5
Tuesday, October 3
Critical infrastructure: Co-ops in housing & transportation
READINGS:
Young-Hyman, Trevor, “Union Cab: Democratic worker ownership in the taxi industry”

“Make New York’s School-bus fleet eco-friendly, union-staffed and cooperatively run”,
The Nation, September 21, 2017

Website: Cooperative Alliance for regional transport: http://www.cart-rides.org/index.htm

WATCH: Videos on manufactured housing co-ops: http://www.geo.coop/story/resident-owned-communities

Assignment due: “Learn about a cooperative in your community”
Instructor(s): Anne Reynolds

Thursday, October 5
Co-operative business start-ups: Feasibility analysis & Intro to Business Canvas
Instructor(s): Anne Reynolds

WEEK 6
Tuesday, October 10
Reforming fisheries through cooperatives
READING:
Instructor(s): Anne Reynolds & Courtney Berner
Guest speaker: Dominic Parker, Assistant Professor, Agricultural and Applied Economics

Thursday, October 12
Dane County Project Discussion
Assignment due: Phase 1 of Dane County project
Instructor(s): Anne Reynolds & Courtney Berner

WEEK 7
Tuesday, October 17
Feasibility and financial models for start-ups: Introduction
Assignment due: First draft of Cooperative Start-up Business Canvas
Instructor(s): Anne Reynolds & Courtney Berner
Guest speaker: Lynn Pitman, Outreach Specialist, UW Center for Cooperatives
Thursday, October 19
Feasibility and financial models for start-ups: Part 2
Instructor(s): Anne Reynolds & Courtney Berner
Guest speaker: Lynn Pitman, Outreach Specialist, UW Center for Cooperatives

WEEK 8
Tuesday, October 24
Feasibility and financial models for start-ups: Part 3
Presentations
Instructor(s): Anne Reynolds
Guest speaker: Lynn Pitman, Outreach Specialist, UW Center for Cooperatives

Thursday, October 26

WEEK 9
Tuesday, October 31
Kernza: Growing the grain revolution
Instructor(s): Anne Reynolds & Courtney Berner
Guest Speaker: Kelly Maynard, Cooperative Development Specialist, University of WI Center for Cooperatives

Thursday, November 2
Grocery cooperatives in a changing landscape
Instructor(s): Anne Reynolds
Guest speaker: Kirsten Moore, Director of Co-op Services, Willy Street Grocery Co-op (invited)

WEEK 10
Tuesday, November 7
Balancing fairness and profitability: Making decisions on equity at Producers Cooperative Association
Assignment due: Final draft of Cooperative Start-up Business Canvas
READINGS:
Instructor(s): Anne Reynolds

Thursday, November 9
Meeting the changing needs of members: Producers Cooperative Oil Mill case

READING:
Instructor(s): Anne Reynolds

WEEK 11
Tuesday, November 14
Meeting food system challenges: Multi-stakeholder cooperatives
Instructor(s): Courtney Berner
Assignment due: Reading Response on Leviten-Reid article
READINGS:


Thursday, November 16
Sustaining successful businesses: the role of purchasing cooperatives
Instructor(s): Courtney Berner

READING:

WEEK 12
Tuesday, November 21
Historic roots of cooperatives in the economy and society
Assignment due: Reading Response on today’s reading
Instructor(s): Anne Reynolds
Guest Speaker: Monica White, Assistant Professor, Community and Environmental Sociology

READING:
**Thursday, November 23**
NO CLASS—Thanksgiving Holiday

**WEEK 13**
**Tuesday, November 28**
Premier Cooperative, Mt. Horeb Wisconsin
Guest speaker: Andy Fiene, General Manager
Assignment due: Draft of Dane County paper

**Thursday, November 30**
Worker cooperatives: conversions, governance, and economic democracy
*Instructor(s): Courtney Berner*
*READINGS:*

“South Mountain Company.” *Successful Cooperative Ownership Transitions: Case Studies on the Conversion of Privately Held Businesses to Worker Cooperatives.* pp 6 – 16.


**WEEK 14**
**Tuesday, December 5**
Native American agricultural cooperatives
*Instructor(s): Anne Reynolds & Courtney Berner*
*Guest speaker: Kelly Maynard, Outreach Specialist, UW Center for Cooperatives and Center for Integrated Agricultural Systems*

**Thursday, December 7**
Dane County Project Presentations
*Instructor(s): Anne Reynolds & Courtney Berner*

**WEEK 15**
**Tuesday, December 12**
Dane County Project Presentations
*Instructor(s): Courtney Berner*

**Thursday, December 14**
Exam review
Assignment due: Final draft of Dane County white paper
*Instructor(s): Courtney Berner*
Exam: December 16, 2:45 – 4:45 p.m. Location TBA

Resources:
- University of Wisconsin Center for Cooperatives: www.uwcc.wisc.edu
- National Cooperative Business Association: www.ncba.coop
- University of Saskatchewan Centre for the Study of Cooperatives: www.usaskstudies.coop
- U.S. Federation of Worker Cooperatives: www.usworker.coop