



Department of Agricultural and Applied Economics
AAE 323: Cooperatives and Alternative Forms of Enterprise Ownership
2023 Course Syllabus

COURSE DESCRIPTION: Cooperatives, credit unions, and other alternative forms of enterprise are unique businesses in which users—rather than investors—are the owners. Topics will include why these models emerge, who they serve, how they differ from other forms of enterprise, and the ways in which they can be used to address social, economic, and environmental challenges.

This class brings together students from across campus to dialogue on the purpose of business and alternatives to the investor ownership model. This is not a course where students will passively receive information from "experts;" it will be a space to actively engage in your own exploration of issues related to business purpose, ownership, and impact. The class will consist of lectures, supplemented with student discussions based on readings, videos, and case studies. The course will also include several guest speakers who are leaders in the local cooperative sector.

Instructor: Courtney Berner, Executive Director, UW Center for Cooperatives

Email: cberner@wisc.edu

Office hours: Online and available by appointment.

Course time and location: Tuesday and Thursdays, 9:30 – 10:45 p.m. Russell Lab 150

Mode of instruction: This course will be delivered in person

Course credits: 3 credits. See below for more information about meeting times and expectations for student work.

Course Requisites: Sophomore standing and Satisfied Quantitative Reasoning (QR) A requirement.

Level: Intermediate

Breadth: Social Science

L&S Credit Type: Counts as LAS credit (L&S)

Sustainability Attribute: Yes

Course Learning Management System and Instructional Tools

All course materials will be organized and available on [Canvas](#). A couple of sessions may be delivered via Zoom. I strongly suggest that students explore and become familiar with these two platforms.

Course Learning Outcomes: By the end of the course, students should be able to:

- Communicate the characteristics of cooperatives, credit unions, and other alternative forms of enterprise and their role in our economy and society.

- Describe the social, economic, and environmental dimensions of enterprise ownership structures and identify potential tradeoffs and interrelationships among these dimensions at a level appropriate to the course.
- Discern when a cooperative or alternative form of enterprise ownership is the appropriate response to a social, economic, or environmental challenge.
- Appreciate how ownership structures affect enterprise behavior, strategy, and decision-making.
- Apply knowledge of cooperatives and alternative ownership models to a real-world community economic development challenge.
- Use sustainability principles for developing personal goals and professional values.

Course Evaluation: There will be a total of 500 possible points in this course. The different ways of earning points are listed below.

Exam: This course will have one exam. Everything covered in lectures, class activities, and required readings is fair game for the exam.

Community Based Learning Project: AAE 323 is a community-based learning course that includes a project with the UniverCity Program through which students apply what they have learned to a real-world community economic development challenge.

Course Activities: The course will consist of readings, videos, podcasts, and two in person lectures per week. Graded activities will include one exam, online discussions, class participation, and a community-based learning project. More information about these assignments will be provided in class and via Canvas. Points will be distributed as follows:

Exam	150	points	(30% of your grade)
Online discussions	150	points	(30% of your grade)
Class participation	50	points	(10% of your grade)
Community based learning project	150	points	(30% of your grade)
TOTAL:	500	points	

Grades: Final grades will not be curved. They will be allocated based on the following scale:

A	94 - 100	AB	88 - 93	B	80 - 87		
BC	75 - 79	C	65 - 74	D	50 - 64	F	below 50

Course Feedback: You will have the opportunity to evaluate me as well. I will offer extra credit points at the end of the semester for providing anonymous, constructive feedback on the course.

Rules, Rights, and Responsibilities: Every member of the University of Wisconsin–Madison community has the right to expect to conduct his or her academic and social life in an environment free from threats, danger, or harassment. Students also have the responsibility to conduct themselves in a manner compatible with membership in the university and local communities. UWS Chapters 17 and 18 of the Wisconsin Administrative Code list the university policies students are expected to uphold and describes the procedures used when students are accused of misconduct. Chapter 17 also lists the possible responses the university may apply when a student is found to violate policy. The process used to determine any violations and disciplinary actions is an important part of UWS 17. For the complete text

of UWS Chapter 17, see [Office of Student Conduct and Community Standards website](#), or contact them via phone at 608-263-5700 or room 70 Bascom Hall.

Diversity and Inclusion: Diversity is a source of strength, creativity, and innovation for UW-Madison. We value the contributions of each person and respect the profound ways their identity, culture, background, experience, status, abilities, and opinion enrich the university community. We commit ourselves to the pursuit of excellence in teaching, research, outreach, and diversity as inextricably linked goals. The University of Wisconsin-Madison fulfills its public mission by creating a welcoming and inclusive community for people from every background – people who as students, faculty, and staff serve Wisconsin and the world. <https://diversity.wisc.edu/>

Accommodations for Students with Disabilities: McBurney Disability Resource Center recommended syllabus statement: The University of Wisconsin-Madison supports the right of all enrolled students to a full and equal educational opportunity. The Americans with Disabilities Act (ADA), Wisconsin State Statute (36.12), and UW-Madison policy (Faculty Document 1071) require that students with disabilities be reasonably accommodated in instruction and campus life. Reasonable accommodations for students with disabilities is a shared faculty and student responsibility. Students are expected to inform faculty [me] of their need for instructional accommodations by the end of the third week of the semester, or as soon as possible after a disability has been incurred or recognized. Faculty [I], will work either directly with the student [you] or in coordination with the McBurney Center to identify and provide reasonable instructional accommodations. Disability information, including instructional accommodations as part of a student's educational record, is confidential and protected under FERPA. <https://mcburney.wisc.edu/instructor/>

Academic Integrity: By virtue of enrollment, each student agrees to uphold the high academic standards of the University of Wisconsin-Madison; academic misconduct is behavior that negatively impacts the integrity of the institution. Cheating, fabrication, plagiarism, unauthorized collaboration, and helping others commit these previously listed acts are examples of misconduct, which may result in disciplinary action. Examples of disciplinary action include, but are not limited to, failure on the assignment/course, written reprimand, disciplinary probation, suspension, or expulsion. <https://conduct.students.wisc.edu/syllabus-statement/>

Quarantine and Isolation: Please reach out to me as soon as possible if you become ill or need to isolate or quarantine, in order to make alternate plans for how to proceed with the course. Every effort will be made to accommodate the academic progress of students who become ill or are asked to isolate or quarantine. I will work with you to provide alternative ways to complete the course work, but my ability to do so will depend on your direct and open communication about your situation.

Usage of Recorded Lectures

Lecture materials and recordings for AAE 323 are protected intellectual property at UW-Madison. Students in this course may use the materials and recordings for their personal use related to participation in this class. Students may also take notes solely for their personal use. If a lecture is not already recorded, you are not authorized to record my lectures without my permission unless you are considered by the university to be a qualified student with a disability requiring accommodation. [Regent Policy Document 4-1] Students may not copy or have lecture materials and recordings outside of class, including posting on internet sites or selling to commercial entities. Students are also prohibited from providing or selling their personal notes to anyone else or being paid for taking notes by any person or commercial firm without the instructor's express written permission. Unauthorized use of

these copyrighted lecture materials and recordings constitutes copyright infringement and may be addressed under the university's policies, UWS Chapters 14 and 17, governing student academic and non-academic misconduct.

Credit Hour Definition

Students will meet the 3 credits of the course by spending a total of 135 hours on learning activities and interactions with the instructor and classmates. See the table below for a breakdown of activities and hours per week.

Learning Activity	Hours per Week	Weeks	Total
Absorbing content (lecture, readings, videos, etc.)	6	14	84
Online discussions	2	10	20
Exam (studying + taking exam)	5	2	10
Community based learning project	4	5	20
Office hours with instructor	0.5	2	1
		Grand Total	135

COURSE SCHEDULE

Please refer to the weekly overviews in Canvas for the complete list of activities for each week. It is the most accurate and up to date resource for this course.

UNIT 1: INTRODUCTION TO COOPERATIVES AND ALTERNATIVE FORMS OF ENTERPRISE OWNERSHIP

U101: Identify and summarize the important characteristics of the cooperative model and other forms of enterprise ownership

U102: Demonstrate knowledge of how cooperatives are used locally, nationally, and internationally

U103: Demonstrate understanding of the social and economic forces that lead to cooperation

U104: Compare the U.S. cooperative ecosystem to cooperative ecosystems in other countries

WEEK 1

January 24 Introductions; course overview

January 26 Intro to cooperatives and alternative enterprise ownership models

WEEK 2

January 31 Economic Rationale for Cooperation: The role of cooperatives, credit unions, and mutuals in the economy and society

February 2 The Cooperative Human: Historic roots of collectivism and cooperation

WEEK 3

February 7 Introduction to Community Based Learning Project for Innovation Center Stoughton

Guest speaker: Katrina Becker, Executive Director, Innovation Center Stoughton

February 9 No Class—meet with small groups

Innovation Center Stoughton Project: Submit two preliminary ideas

WEEK 4

February 14 Global cooperation: Solidarity and supply chains in Italy

February 16 Global cooperation: Owning the means of production in Cuba and Spain

Guest speakers: Chris Kernkamp, Jon Purinton, Joshua Lohr, Kyle Meise, Isthmus Engineering & Manufacturing

UNIT 2: COOPERATIVE FINANCE

U2O1: Define basic terminology related to cooperative finance

U2O2: Communicate how cooperatives differ from other types of enterprises in terms of how they are financed and how profit is distributed

U2O3: Compare the different financing mechanisms used by cooperatives

WEEK 5

February 21 Unpacking the meaning of member economic participation

February 23 The nuts and bolts of cooperative finance

WEEK 6

February 28 Equity management strategies

March 2 Case study: United Agricultural Cooperative: considering the sale of the agronomy division

UNIT 3: GOVERNANCE: WHERE BUSINESS AND DEMOCRACY COLLIDE

U3O1: Demonstrate understanding of corporate governance models

U3O2: Compare cooperative governance models to governance models in other types of organizations

U3O3: Apply understanding of cooperative governance to case studies

WEEK 7

March 7 Unpacking the history and power of corporate governance

March 9 Cooperative Governance in Theory and Practice

WEEK 8

NO CLASS, SPRING BREAK

WEEK 9

March 21 Governance challenges in cooperatives

March 23 Managing the diverse needs and desires of members

UNIT 4: COOPERATIVE MANAGEMENT & STRATEGY

U4O1: Identify the key factors that influence a cooperative's strategy

U4O2: Apply understanding of cooperative finance and governance to the management of cooperatives

U4O3: Evaluate the tactics and strategies used by a selection of cooperative businesses

WEEK 10

March 28 The cooperative difference: strategic advantages, impacts on decision-making, and how cooperatives evolve over time

March 30 How employee ownership impacts strategy and performance

***Guest speaker:** Ole Olson, Engineer, Isthmus Engineering & Manufacturing*

Innovation Center Stoughton Project: Draft business plan due

WEEK 11

April 4 How Credit Union priorities differ from other financial institutions

***Guest Speaker:** Dawit K. Zenebe, PhD, Senior Economist at Credit Union National Association*

April 6 The cooperative difference in healthcare

***Guest speaker:** Dr. Mark Huth, MD, President and CEO, GHC of South-Central Wisconsin*

Innovation Center Stoughton Project: Draft business plans returned with comments

WEEK 12

April 11 Cooperative strategy in a large, federated ag cooperative

***Guest speaker:** Pete Kappelman, Senior VP, Member and Government Relations, Land O'Lakes*

April 13 Case study

UNIT 5: COOPERATIVE MODELS FOR OUR CHANGING WORLD

U5O1: Summarize the social and economic issues that are driving new types of cooperation

U5O2: Identify novel approaches to cooperation that could address current social, economic, and environmental issues

WEEK 13

April 18 Cooperating to sustain our natural resources

***Guest speaker:** Nick Parker, Associate Professor, AAE*

April 20 Housing, broadband, childcare, oh my! A smorgasbord of cooperative ideas for meeting community needs

Innovation Center Stoughton Project: Final business plans due

WEEK 14

April 25 The power of purchasing cooperatives for sustaining small businesses

April 27 Connecting farmers with eaters: cooperatives and regional food systems

***Guest Speaker:** Kelly Maynard, Cooperative Development Specialist, UW Center for Cooperatives*

WEEK 15

May 2 Innovation Center Stoughton presentations

May 4 Final exam prep

Additional Resources:

- University of Wisconsin Center for Cooperatives: www.uwcc.wisc.edu
- Cooperative Glossary: <https://uwcc.wisc.edu/about-co-ops/co-op-glossary/>
- National Cooperative Business Association: www.ncba.coop
- University of Saskatchewan Centre for the Study of Cooperatives: www.usaskstudies.coop
- Democracy At Work Institute: www.institute.coop