Overview of Course:

The Economics of Cooperative Enterprises is designed as a challenging integrative experience (IE) course for undergraduates. Students will be asked to retrospectively analyze their experiences as workers and consumers, evaluating the impact of organizational forms and industry structure. How do cooperative enterprises (including those on campus such as the People’s Market, Earthfoods, and Campus Design and Copy) differ from other enterprises? Students will also be asked to explicitly bring material they have learned in other classes to bear on these issues. The final project requires students to work in small teams of up to 4 students to develop a business plan for a cooperative enterprise that builds upon their own interests and expertise.

The integrative experience requirement is designed to enhance integrative learning through upper division courses in students’ major fields. Integrative learning comes in many forms; connecting skills and knowledge from multiple sources and experiences, applying theory to practice, using diverse points of view and understanding issues and arguments contextually.

The three central learning objectives of the integrative experience are to reflect on and to integrate their learning and experience from General Education courses and their major, to practice General Education learning objectives such as oral communication, collaboration, critical thinking and interdisciplinary perspective-taking, at a more advanced level and to offer a shared learning experience for applying prior learning to new situations, challenging questions, and real-world problems.

Core assignments are three short papers and a final project. The three short papers ask students to relate their own personal experience to the material covered in the course, and cover 30 % of the grade. The final project requires students to work together in small teams to develop a practical business plan for a cooperative enterprise, and counts for 40% of the grade.

First, the objective of all these assignments is to directly to integrate learning and experience from General Education courses and the economics major. The structure of these assignments also directly addresses the objectives of collaboration, oral communication and shared learning experiences.

The nature of the writing projects requires critical thinking and interdisciplinary perspective-taking at a more advanced level. The business plan, in particular, is based on the objective of applying prior learning to new situations and real world problems.
Course goals and guiding questions:

The basic course syllabus was designed by the University of Massachusetts Cooperative Enterprise Collaborative, including faculty and graduate students from the Economics Department and other academic departments, and members of the Valley Alliance of Worker Cooperatives (VAWC) with on-the-ground experience in social entrepreneurship. The course is required for the Applied Economic Research Certificate in Cooperative Enterprise, which is built around a summer research internship with a VAWC member firm or other cooperative business.

Our goals are to provide the best possible learning experience for students and also to foster more effective collaboration between students and cooperative enterprises in the local community. We believe this collaboration can promote relevant research, develop new work opportunities, and contribute to local economic development.

Discussion assignments and short quizzes are organized around consideration of five central questions that should also inform the final business plan for a cooperative enterprise:

1) How can cooperative enterprises lead to better outcomes for workers, consumers, the environment, and society as a whole?
2) How can cooperatives and worker-owned businesses successfully compete with capitalist firms?
3) Do cooperatives and worker-owned businesses challenge or complement the capitalist system?
4) Are worker-owned businesses significantly different from other forms of “shared capitalism” such as Employee Stock Ownership Plans (ESOPs)?
5) What kinds of improved education, networking and collaboration could successfully promote cooperative enterprises?

As part of the Integrative Experience, students will be asked to write short papers (2-3 pages) addressing the following self-reflective questions and summarize them in class:

1) What has my experience as a worker and as a consumer taught me about the possible benefits of cooperative enterprises? (Paper 1)
2) What has my experience in collaborative efforts—ranging from athletic teams to study groups—taught me about the difficulties of democratic decision-making? (Paper 2)
3) What have other aspects of my education at this University have taught me that might be relevant to understanding the potential successes and failures of cooperative enterprises? (Paper 3)

Requirements and grading:

The assignments in this course are designed to reward consistent effort and conscientious participation. Attendance will be taken. If you anticipate missing class for a good reason (such as illness) please let the instructor know in advance, and you will be excused. You may take ONE unexcused absence. Five (5) points will be deducted from your FINAL grade for every other unexcused absence. If you come to class late, be sure to check with the instructor to determine whether your attendance will be counted. Consistent lateness will definitely be penalized. The assigned readings average about 100 pages per week. This is a lot! Plan your schedules to effectively prepare in advance.

Each student will also be required to make a presentation (15 min) on at least one reading and identify questions to facilitate class discussion. This will be graded on a pass/fail basis. Failure to fulfill this
requirement will result in a deduction of 10 points from your final grade.

30% of grade: Three short papers based on the self-reflective questions above (10% each) that must be handed into the instructor and also presented to the class.

30% of grade: 3 quizzes (10% each) in the first part of the semester. These are scheduled quizzes (dates specified below) to which no more than thirty minutes of class time will be devoted. They will ask for short responses to questions regarding the readings relevant to the five questions outlined above. If you have done the readings and participated fully in class discussion, you should be fully prepared for these quizzes. You will be allowed to use one page of your own notes during quizzes.

40% of grade: A final project, consisting of a detailed business plan for a cooperative enterprise that is both anticipates and seeks to resolve possible challenges by drawing from the assigned readings. You should work collaboratively on this final project with at least one other but no more than three other students.

The final project must be presented in two forms: as a brief (no more than 10 page) paper and as a ten-minute Powerpoint presentation.

This project will be broken down into four components for grading: 15% for the business plan itself, 10% for discussion of relevant assigned readings, 10% for quality of final in-person presentation, and 5% based on ratings given you by other members of your group. All grades will be scaled to 100. A final score of 95-100 represents an A; 91-94 an A-, 85-90 a B+, 80-84 a B, 74-80 a B-, 69-73 a C, 60-68 a D, below 60 an F.
**Required and Recommended Readings**

All the required readings will be available on the course website or other digital access with two exceptions:

Available at the UMass Textbook Annex:


One of the major texts for the course, Gregory Dow’s *Governing the Firm*, is available in electronic form through the UMass library. If you prefer a hard copy, you can order one online.

**Schedule of Readings and Assignments**

**Module 1: Introduction to the course**

**Required Videos:**


“The Mondragon Cooperative.” Short introductory video.

- Part I [6 min] - [http://www.youtube.com/watch?v=NORmQ8zaL1c](http://www.youtube.com/watch?v=NORmQ8zaL1c)

**Required Readings:**

Excerpts from 2 resources that we’ll refer to throughout the semester:


- Northcountry Cooperative Foundation’s *Worker Cooperative Toolbox*, Pages 9 – 10


**Supplemental Readings:**

University of Wisconsin’s Research on the Economic Impact of Cooperatives.

Harry Braverman, *Labor and Monopoly Capital*, ch 2 (pp. 59-69).
Module 2: History of cooperatives

Required Readings:
John Restakis, *Humanizing the Economy*, chs 1-2 (pp 7-54).


Supplemental Readings:


Module 3: Management, Authority, and the Labor Contract

Required Videos:

“The Mondragon Experiment.” Feature length BBC documentary of Mondragon.
Part I [54 min] - http://video.google.com/videoplay?docid=-4765137760763676264&q=democracy+in+the+workplace&total=14&start=0&num=10&so=0&type=search&plindex=1#docid=7565584850785786404
Part II [13 min] - http://video.google.com/videoplay?docid=-4765137760763676264&q=democracy+in+the+workplace&total=14&start=0&num=10&so=0&type=search&plindex=1#docid=-7725698018832368909
Required readings:
Excerpts relevant portions of “nuts and bolts” resources (OK to skim):
    Pages 14, 20-25, 35-41, 52-60.
  o Zeuli & Cropp, Cooperatives: Principles and Practices in the 21st Century:
    Chapter 6: “Cooperative roles, responsibilities, and communication.”


Supplemental Reading:


Harry Braverman, Labor and Monopoly Capital, ch 4 (pp. 85-124).


Module 4: Behavioral and Experimental Approaches [2 Weeks]

Required Readings:


Supplemental Games:
Vecon Lab Volunteer's Dilemma Experiment

Vecon Lab Minimum Effort Coordination Experiment

Supplemental readings:

Restakis, Chapter 10: “The Crisis of Community”


Module 5: Productivity, Efficiency, & Theory of the Firm [2 Weeks]

Required Readings:


Supplemental Readings


- If you’re presenting on this, choose one of these chapters.

Douglas L. Kruse, Joseph R. Blasi, & Rhokeun Park. “Shared Capitalism in the US Economy: Prevalence,


**Module 6: Markets, Competition, and Values**

**Required Readings:**


Joel Schoening, “The rise and fall of Burley Design Cooperative,” Oregon Historical Quarterly, 111.3, Fall 2010. [17 pp]


**Supplemental Readings:**


**Module 7: Legal Aspects and Financing**

**Required Video:**


**Required Readings:**

See relevant portions of “nuts and bolts” resources:

- Worker Coop Toolbox: Pages 15 – 19 and 26 - 34.
- Zeuli & Cropp: Chapters 5 and 7, and pages 23 – 26: a list of federal laws covering cooperatives in the U.S.


**Supplemental Readings:**


**Module 8: The Lived Experience of Work**

**Required Video:**

Green cleaning co-op in the San Francisco Bay Area, organized by Women’s Action to Gain Economic Security (WAGES). Mission: to build worker-owned green businesses that create healthy, dignified jobs for low-income women. This quick video shows first-hand how this green cleaning co-op is transforming the lived experience of work. [4 mins] [http://youtu.be/8zJ93QeSHAY](http://youtu.be/8zJ93QeSHAY)

“Drive: The Surprising Truth About What Motivates Us” – 10 minute, animated lecture by Daniel Pink, summarizing the key points of his book (one of this week’s required readings.) [http://www.youtube.com/watch?v=u6XAPnuFjJc](http://www.youtube.com/watch?v=u6XAPnuFjJc)

**Required Readings:**


**Supplemental Readings and Video:**


- If presenting on this, choose 2 out of the 4 short segments
Module 9: Measuring success?

**Required Readings and Video:**

**Video:** Little glimpse into Union Cab in Madison. [Link](http://www.youtube.com/watch?v=TFYdVfp9Nj0) [3 min] Clip from Michael Moore’s “Capitalism: A Love Story.”


**Supplemental Readings:**


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**Module 10. Cooperation among Cooperatives**
**Required Readings:**


**Supplemental readings:**


**Module 11. Cooperative Development**
**Required readings:**


Carl Davidson. “‘One Worker, One Vote’: US Steelworkers to Experiment with Factory Ownership, Mondragon Style.” Chapter 9 in *Solidarity Economy I: Building Alternatives for People and Planet*, edited by Emily Kawano, Thomas Neal Masterson, Jonathan Teller-Elsberg. Amherst, MA: Center for Popular Economics, 2010, 125-130. [6 pp]

**Supplemental Readings and Video:**
John Restakis, *Humanizing the Economy*, Chapter 5. [19 pp]

  Video: to be viewed in conjunction with Restakis ch5. This short segment (part of a 40-minute documentary) introduces CNAs and clients of Cooperative Care, a home health care co-op in Wisconsin. [19 pp]


For more articles on worker cooperative development, see the GEO archives at http://www.geonewsletter.org/node/638.

Module 12: Prospects for a more cooperative future?

Required:
John Restakis, *Humanizing the Economy*, Chapter 11 [26 pp]


Video: “Conversations with Great Minds – Prof. Gar Alperovitz, ‘America Beyond Capitalism’” (each video approx.. 15 min each)
Pt I: http://www.youtube.com/watch?v=JOC2swwD38U&feature=relmfu
Pt II: http://www.youtube.com/watch?v=rM_pw5mFtI

Supplemental Readings:

