

Virginia Tech
Department of Agricultural and Applied Economics

AAEC 2424
Cooperatives and Their Impact on the Human Condition

Fall 2008
Dixie Watts Reaves

I. Catalog Description

An assessment of the unique cooperative organizational form, including the history, principles, legal issues, financing issues, and management issues surrounding cooperatives. Emphasis will be on both agricultural (supply, marketing and service cooperatives) and non-agricultural (rural electric housing, child care, health care) cooperatives, with special attention to the impacts on the human condition. The course is highly discussion-oriented and interactive.

II. Learning Objectives

Upon completion of the course, you should be able to:

- identify the unique aspects of the cooperative organizational form;
- explain the impacts of cooperatives on both individual and community well-being;
- discuss how you might use cooperatives in your daily life; and
- create a written and oral report on the development of a cooperative.

III. Justification

Cooperatives have historically played a critical role in the development of the agricultural industry both in the United States and abroad, with approximately 30% of all agricultural business being conducted through cooperatives. With the changing political environment and the increase in the use of technology, it is anticipated that cooperatives will play an ever-increasing role in the sustainability of agriculture. "New generation cooperatives" are becoming more and more prevalent. Furthermore, cooperatives are playing bigger and bigger roles in community development in both urban and rural settings, both domestically and internationally. Despite the contributions that cooperatives make to the improvement of the lives of individuals and communities, many individuals have no understanding of cooperatives. As a business form of growing importance, cooperatives need to be understood by the future agricultural producer and the American consumer.

IV. Texts and Special Teaching Aids:

Required Text

Nadeau, E.G., & David J. Thompson. *Cooperation works! How People are using cooperative action to rebuild communities and revitalize the economy.* Rochester, MN: Lone Oak Press, LTD, 1996.

Teaching Aids

Selected readings from *Rural Cooperatives* magazine, *The American Cooperation Yearbook*, and cooperative web sites.

V. Grading

Exam 1	25%	Homeworks	20%	Final Project	20%
Exam 2	25%	Participation	10%		

VI. Guest Lecturers

Guest lecturers from industry may visit the class periodically during the semester. The materials they provide and the content they deliver will be covered on exams.

VII. Contact Information

Dixie Watts Reaves, dixie@vt.edu, 307 Hutcheson Hall, 540-231-6153. Office hours: generally T,H 9:30-10:45am, but please confirm before coming. Appointments welcomed and encouraged.

Course Outline

	<u>Assignment</u>
<u>Overview of Cooperatives</u>	pp. 5-9 & hand-outs
Cooperation Throughout History	
Economic Justification for Cooperatives	
Principles of Cooperatives and Legal Issues	
Financing Cooperatives	
Management Issues in Cooperatives	
<u>Cooperative Approaches to Business</u>	
Agricultural Cooperatives	
Value-added Agricultural Cooperatives	Ch. 1
Small Business Cooperatives	Ch. 2
Consumer Cooperatives	Ch. 3
Employee-owned Cooperatives	Ch. 4
<u>Meeting Human Needs Cooperatively</u>	
Cooperative Housing	Ch. 5
Senior Co-op Housing	Ch. 6
Independent Living for People with Disabilities	Ch. 7
Credit Unions	Ch. 8
<u>Cooperatives in Community Development</u>	
Community-owned Team	Ch. 9
Providing Power to Rural Communities	Ch. 10
Development where People Matter	Ch. 11
Local Government Partnerships	Ch. 12
<u>International Cooperatives</u>	Hand-outs
<u>Summary</u>	pp. 179-181
<i>Additional readings will be provided and assigned on a case-by-case basis.</i>	