

Democracy of Co-ops

Subject Area: History/Economics

Unit Title: Democracy and the History of Co-ops

Grade Level: 4th & 5th

Objectives: To create an understanding of the history benefits of cooperative businesses.

Colorado Content Standards to be covered:

HISTORY:

Standard IV - Students understand how science, technology, and economic activity have developed, changed, and affected societies throughout history.

Standard V - Students understand political institutions and theories that developed and changed over time.

ECONOMICS

Standard II - Students understand how different economic systems impact decisions about the use of resources and the production and distribution of goods and services.

Standard III - Students understand the results of trade, exchange, and interdependence among individuals, households, businesses, governments, and societies.

Anticipatory Set:

Ask the students to fill in the first column of the included Vocabulary Knowledge Rating Chart indicating how well they know each vocabulary word before the lesson.

Input:

How Does a Co-op Work?

There is a form of business that operates as a democracy. This form of business is called a cooperative. There are over 47,000 co-ops in the United States. They serve 120 million people in all 50 states. They are located everywhere: in cities, towns, suburbs and rural areas.

You'll find co-ops for banking, electric and phone service, insurance, housing, day care, health care, food, farm marketing and supply, news services, florists and much more. Cooperatives are user-owned businesses. The users and owners of a co-op are called members. The more the members use their co-op, the more benefits they receive and the more successful the co-op becomes.

Cooperatives are democratically run businesses controlled by their members. It is the members' right and responsibility to help run the cooperative by voting, expressing opinions and serving on committees. It's very difficult for every member to vote on every issue and attend every meeting, so members elect a board of directors to represent their interests.

The board of directors hires a manager to run the business and keep the board informed. Additional employees are hired to work for the cooperative and help the manager. Through this system of representation, members can run their cooperative.

Highlights from the History of Cooperatives

1752-Benjamin Franklin helped form the first cooperative in the United States. This cooperative is the Philadelphia Contributorship for Insurance of Homes from Loss of Fire. This cooperative is still operating today.

1844-The Rochdale Equitable Pioneers Society, a consumers' cooperative started in northern England, was the first to use three main cooperatives guides: member control, member ownership, and member benefits.

Late 1800s and early 1900s-People in agriculture started to use the cooperative business model. Cooperatives allowed farmers to buy seed, equipment and supplies for less cost and sell their crops for a higher price. In Colorado, these early cooperatives helped build the irrigation system that brings water to three million acres of land.

Checking for Understanding: At the end of this section choose one of the following for a quick check: ask the students to partner share and think, pair and share, do a quick 3 word write up as an exit slip, do a quick sketch or give each other a quick thumbs up or down to check for understanding. Determine the level of mastery for each student and provide individual remediation as needed.

**Procedures/Activities:
Democracy in Action****Discussion:**

Ask students to identify service clubs and organizations serving their community.

- How are they controlled?
- Who makes the decisions, and how are they made?
- Who elects the board of directors, and how are they elected?

Activity

Draw a chart showing the organization of your school.

Closure:

Have the students return to the Vocabulary Knowledge Rating Chart and rate their understanding of each vocabulary word after the lesson. Then have them write down the definition and use the word in a sentence or give an example. See key for definitions.

Vocabulary Knowledge Rating Chart

Before the Lesson:

In the first column indicate how well you know each vocabulary word by using “1” to represent “I know what it means,” “2” “I sort of know what it means,” or “3” for “I don’t know what it means.”

After the Lesson:

In the second column indicate how well you know each vocabulary word after the lesson, by using “1” I know what it means, “2” I sort of know what it means, or “3” I don’t know what it means. Next, write down the definition and use the word in a sentence, or give an example.

| Vocabulary Word | Before Lesson | After Lesson | Definition | Use the word in a sentence or give an example |
|------------------|---------------|--------------|------------|---|
| represent | | | | |
| manager | | | | |
| member | | | | |
| majority | | | | |
| minority | | | | |

Vocabulary Knowledge Rating Chart KEY

Before the Lesson:

In the first column indicate how well you know each vocabulary word by using “1” to represent “I know what it means,” “2” “I sort of know what it means,” or “3” for “I don’t know what it means.”

After the Lesson:

In the second column indicate how well you know each vocabulary word after the lesson, by using “1” I know what it means, “2” I sort of know what it means, or “3” I don’t know what it means. Next write down the definition and use the word in a sentence, or give an example.

| Vocabulary Word | Before Lesson | After Lesson | Definition | Use the word in a sentence or give an example |
|------------------|---------------|--------------|---|---|
| represent | | | To serve as the official and authorized delegate or agent for; act as a spokesperson for. | answers will vary |
| manager | | | A person who is in charge; a person who manages a business or other enterprise. | |
| member | | | Persons who belong to a group or organization. | |
| majority | | | The greater number or part; a number more than half of the total number of a given group. | |
| minority | | | The smaller in number of parts; a group of persons or things numbering less than half of the total. | |