

Syllabus
Sustainable Social Enterprises for the Fossil-Free Economy
1 credit
Vermont Law School, Summer 2023
110 Oakes Hall
Friday July 14 – Saturday July 15 (12 hours)

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We will meet on Friday 7/14 and Saturday 7/15 from 9-12 and 1-4. Given the highly condensed nature of this course, I strongly recommend you obtain the book and read it in advance of the weekend we're together to maximize what you get out of this course.

Short Description

Shifting the global economy off of fossil fuels while pursuing the Sustainable Development Goals, such as reducing income inequality, requires harnessing the power of the private sector in new ways. Using a series of case studies of inspiring sustainability pathbreakers working in renewable energy, organic foods, water, finance, and fair trade, the course explores how social enterprises, such as cooperatives and B Corp, pursue the triple bottom line. After completing this course, students will understand the critical role of sustainable social enterprise design to our fossil-free future, and know how to draft purpose-infused governance documents to influence sustainability outcomes.

Overview

The United Nations has created an international consensus about the system-changing sustainability the world needs to implement throughout the 2020s and beyond in the Sustainable Development Goals. The Intergovernmental Panel on Climate Change urges swift decarbonization to get to net zero CO₂ as soon as possible. Countries have debated how to combat climate change since the early 1990s. And yet little progress has been made as governments grapple with how to set and enforce emissions-reduction commitments.

Although there are corporate sustainability leaders in the private sector, legal design and norms makes this far too infrequent. Investor-owned corporations do best what they aim to do: maximize profits for shareholders. When this purpose conflicts with protecting the environment, paying workers better wages, practicing democracy, and being a committed neighbor in the local community, those stakeholders tend to lose out to shareholder profit.

Designing corporations for a sustainable, democratic, and just economy is critical for a livable planet. This course focuses on the legal design of sustainable enterprises, such as B corporations, with an emphasis on cooperatives. Cooperatives have a tremendous potential to fundamentally alter the sustainability of how we do business. As public

concern is rising about climate change and inequality, cooperating is emerging as a unifying framework for the fossil-free economy. Using case studies of pathbreaking cooperatives on both sides of the Atlantic, in Spain and the United States, we will explore how social enterprise offers the potential for quicker and more robust commitments to environmental sustainability in advance of legal prescriptions, the ability to share wealth more equitably, and to teach and reinforce democratic participation.

Learning Objectives

Students who successfully complete this course will:

- Demonstrate substantial ability to articulate the systemic deficiencies in the investor-owned corporation to advance sustainability outcomes;
- Employ strategies for understanding, analyzing, and solving dilemmas likely to be encountered in the field of sustainable enterprise design;
- Deepen understanding of the intersection between legal design of corporate governance documents and day to day operations;
- Practice drafting skills to create articles of incorporation and bylaws for social enterprise;
- Develop interpersonal and group management skills, including client interview, leadership, team building, and conflict resolution skills; and
- Improve public speaking abilities by delivering presentation.

Required Reading

Melissa K. Scanlan, [Prosperity in the Fossil-Free Economy: Cooperatives and the Design of Sustainable Businesses](#) (Yale University Press 2021)

****Read book in advance of the start of our course. I suggest you pay special attention to chapters 1-4, and 13 on lessons. If there are parts of the economic transformation that appeal more to you (i.e., food and agriculture), jump to that chapter and focus more on those case studies.**

There are many background books on system change that are relevant to our course. If you have time and interest before or after you take this course, here are some recommended readings:

- 1) Law and Policy for a New Economy: Sustainable, Just, and Democratic, Melissa K. Scanlan, ed., Edward Elgar, (2017)
- 2) James Gustave Speth, *America the Possible* (Yale, 2012)

- 3) James Gustave Speth, *The Bridge at the Edge of the World* (Yale, 2008)
- 4) Klein, *This Changes Everything* (Simon & Schuster, 2014)

Grades

Participation and group work	45%
Formation Documents (Articles of Incorporation and Bylaws)	45%
Presentation	10%

Class Schedule and Assignments

Day 1 (Friday)

9:00-10:45 Introduction and Overview

Conflicts with Investor-Owned Corporations

The Power and Design of Social Enterprises

Rank client preferences: **xyz**

10:45-11 Break

11-noon **Special Guest, Marta Ceroni**, on System Change. Co-director of Academy for System Change and Donella Meadows Project, she will share her experience also working for Badger B Corp and as an elected board member of the Hanover Co-op.

Noon-1:00 Break

1:00-2:15 The Promise of Cooperative Social Enterprise Systems for Water Resource Management

Water Institution Design Choices and Power Mapping Exercise

2:15-2:30 Break

2:30-4:00 **Special Guest, Kristin Howard** member/owner of Real Pickles, on Purpose and Mission Clarity in Legal Formation
[review Pgs. 139-145 in *Prosperity in the Fossil-Free Economy*]

**After the course ends on Day 1, students receive an email matching you with a client for Day 2. Your preference ranking will be used to inform this match.

Day 2 (Saturday)

9:00-10:15 Deep dive into Co-op values and principles

Discuss how the Sustainability Pathbreakers reflect these in their governance documents

Drafting exercise using International Co-op values and principles

10:15-10:30 Break

10:30-11 Prepare - Draft questions for your client meeting to aide your listening and interviewing of the client

11-noon Small group **meetings with “clients”** in need of governance guidance

Noon-1:00 Break

1:00-2:00 Class discussion and debrief about the client meetings and plan strategy for drafting governance documents

2:00-3:00 Small groups work to draft governance documents: bylaws and articles of organization

3:00-3:15 Break

3:15-4:00 Small groups present approach in the documents to the class and receive feedback

Wrap-up course

**After Day 2 of class ends, students revise governance documents and submit final group work product to Prof. Scanlan via email scanlamk@uwm.edu by Sunday, July 16, 5 p.m. ET.