

# A Conversation With Trebor Scholz on the Rise of Platform Cooperativism | Civic Hall

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The scene at the 2015 Platform Cooperativism plenary at the New School

*Next month, on November 13, Civic Hall will be hosting an [unconference](#) on platform cooperativism in tandem with a working conference at the New School on the same topic organized by Trebor Scholz. In preparation for both events, we sat down with Trebor to look back at what led him to launch this burgeoning movement and look ahead to its future.*

**MS: Two years ago, the term “platform cooperativism” had yet to be invented (if my search of Google is accurate). Your [piece in Medium](#) really set off a wave of interest that is still growing. Before you fill us in on recent developments, can you shed some light on what led you to write that piece?**

**TS:** Thank you so much, Micah, for this invitation to talk with you. Two years ago, I proposed to bring the cooperative business model to bear on the digital economy because the Web had hit rock bottom. And the situation today isn't any better, frankly: data tracking is pervasive, siren servers hold our data in perpetuity, privacy has become a privilege of the rich, and the online platforms that we depend on most, are owned by a number of people so small that you could fit them into a Google bus.

One thing is clear: today's network of networks has hardly any resemblance of what the creators of the Internet or Tim Berners-Lee had in mind when designing the Internet and consequently the World Wide Web. It is no longer the “vendor neutral and altruistic contribution to society,” that Berners-Lee had imagined. So, when I look at today's centralized Internet, this isn't only about cloud computing and surveillance.

This is also fostered the rise of a climate change of digital work. Let me explain. Over the past 40 years, there has been a steady shift away from direct employment so that today, more than one third of the American workforce no longer has predictable paychecks, employer-provided social benefits, insurance, or representation. Most rights that came with employment have stalled or have been lost. For younger generations, this seems much less traumatic because they have never enjoyed the benefits that

large, stodgy, and hierarchical institutions bestowed on their parents.

In the face of the daily barrage of the media, it is easy to forget that the “sharing economy” only generates a minute part of the GDP. However, its influence has been pervasive. The labor templates that were developed by companies like Uber are now the blueprints for all kinds of sectors of the economy. Now you can even “uberize” an ice cream parlor or fire thousands of your employees to then hire them back as freelancers. The journalist Steven Hill office gave [the compelling example](#) of the pharmaceutical company Merck, which did just like that.

All of this is relevant as a response to your question because many of these debates had a home at The New School where I convened [the digital labor conferences since 2009](#). These conferences turned The New School into a hotspot for digital labor studies and were important in formulating a cogent critique. But they didn't stop there. They were very invested in developing imaginaries, to insist that there are many different possible futures of work. It is in this sense that the digital labor conferences were a seed out of which platform cooperativism emerged.

It was really hard for me to get my head around the fact that federal policymakers wouldn't intervene when it became public knowledge that novice workers on the crowdsourcing platform Amazon Mechanical Turk (and other similar platforms) are making between two and three dollars an hour. I followed some of these developments with disbelief. Once I talked with a former member of the National Labor Relations Board and this person responded with controlled anger and incredulity saying “how can that be, that would be completely illegal.” Precisely. But then you immediately enter the underbrush of legislation where only employees are protected by the Fair Labor Standards Act while independent contractors are not considered. Should these workers be employees? This entire knotty discussion remains unresolved.

In the case of Amazon.com, [attempts by workers](#) to sway Jeff Bezos to create more fair working conditions fell on deaf ears. I distinctly remember [Kristie Milland](#), who had been an Amazon Mechanical Turk worker since its inception, the moment as part of the closing session at [one of](#)

these digital labor conferences when “Why don’t we just build our own platform?”

But of course that was not the only trigger for my piece; these ideas did not emerge in a vacuum. Also in 2014, in San Francisco, Janelle Orsi, the executive director and cofounder of the [Sustainable Economies Law Center](#), had called on technology companies in the sharing economy to share ownership and profits with their users. While worker ownership is an old American tradition— just remember the recent move by Chobani, the yogurt producer, to [hand over part of the company to its workers](#)— it has been virtually unheard of in Silicon Valley.

Also in 2014, in Barcelona (Catalonia, Spain), the activist and researcher Mayo Fuster Morell, convened [an event](#) calling for dialogue between the cooperative tradition and the pro-commons movement.

These were some of the pieces that all fell into place when I wrote “[Platform Cooperativism vs. the Sharing Economy](#).” My proposal was to rip out the algorithmic heart of the Uber model to then embed cooperative values in the code and then run the platform as a democratically governed co-op. Therapists and life coaches tell people that they slowly have to learn to say no. But platform cooperativism was about embracing an alternative. Importantly, this theory was just a few inches behind the practice. By then, platform co-ops like [Fairmondo](#) had already existed for two or three years. I had come across this cooperatively operated and owned online marketplace at a festival in Berlin in 2013 where a group of students walked around with handmade signs calling for a fair online marketplace. Later, I came across even older platform co-ops including Cotabo, which is a network of taxi cooperatives that now unites some 5000 cabbies all over Italy. With their app, [TaxiClick](#), clients can order a car knowing not only that the price is right but also that the drivers are treated fairly. In Queens, New York, an app connects a childcare cooperative with clients through the [Coopify](#) app and platforms like [Loconomics](#) are offering online labor brokerages.

Despite the attention that the piece had received, it was important to develop this more substantively. I remember one French theorist telling me that the proposal was fantastic but to be taken seriously in France, it had to be much longer. It was not in order to please the French but I did write a [much longer piece](#) that was subsequently published by the Rosa Luxemburg Foundation in NYC and Berlin, the Catalan research network Dimmons, and Legacoop in Italy. More translations will follow by a publisher in

France, the C–Center at Chinese University in Hong Kong, China, and the Rosa Luxemburg Foundation in [São Paulo](#), Brazil.

All of that work is also anchored in my book [Uberworked and Underpaid: How Workers Are Disrupting the Digital Economy](#). (Polity, 2016), and in the collection [Ours to Hack and to Own. The Rise of Platform Cooperativism, a New Vision for the Future of Work and a Fairer Internet](#) (OR, 2016) that I co-edited with the reporter, University of Colorado scholar-in-residence, and activist Nathan Schneider.

Also in 2015, Nathan and I had organized [the platform cooperativism conference](#) which became very consequential. Its large scale, really helped to popularize the idea. At that time, Nathan had already reported prodigiously on cooperatives. He had also written an article “[Owning is the New Sharing](#)” in which he proposed the conversion of large corporate platforms like Uber into co-ops. And ever since, Nathan has written numerous articles about the cooperative platform economy, most [recently suggesting](#) that we should all band together to buy Twitter and turn it into a platform co-op.

At this point I really must also acknowledge the support from Civic Hall, and from you personally, Micah. After you read “[Platform Cooperativism vs. the Sharing Economy](#)”, you convened [an event](#) at Civic Hall where various labor advocates, artists, and union leaders were asked to respond to my piece. This led to many collaborations.

**MS: The first conference on Platform Cooperativism at The New School last year was attended by more than a thousand people. Did you expect such a big turnout? Why do you think you struck a nerve?**

**TS:** You’re right, it was really astounding – what was supposed to be yet another academic event attracted over 1000 people to attend. The resonance of the event didn’t end when we locked the last room the night of November 12, 2015. In fact, many doors opened after that. There were events about platform cooperativism in cities like London, Melbourne, [Mexico City](#), Paris, Barcelona, Valencia, Brussels, Vancouver, Oakland, and Berlin, to name just a few. The [platform co-op community in Berlin](#), led by Thomas Doennebrink, now counts some 120 members. Also notable are the [Coop DiscoTech events](#) initiated by MIT’s Sasha Costanza-Chock and the fervent coverage of all of these developments by [Shareable](#), [FastCo.Exist](#), and [The Nation](#). Neal Gorenflo’s article “[How Platform Co-ops Can Beat the Deathstar](#)” was also an important contribution. Of

course I can never be sure why something strikes a nerve but I have eight hypotheses:

1) I think people were just really thirsty for a coordinated effort that pushes back against the extractive sharing economy. Remember, that this was the year when [the critique](#) of the [sharing economy](#) had finally become more visible. After all these years, for example, the [Washington Post](#) finally caught on to the [critique of data labor](#) that I and others had mounted since 2008.

2015 was also the year when the critique of the so-called sharing economy became more vocal. After the initial rush of excitement riding along the waves of the language of autonomy, choice, and flexibility, co-opting the values of the pro-commons movement and the social capital of cooperatives for market-oriented goals, came the more sober realization of what we had gotten ourselves into – in terms of labor conditions, privacy, top-down algorithmic command, and, what [Frank Pasquale](#) called the “[nullification of the law](#).” The fact that this critical angle was suddenly more acceptable, was one reason for the popularity of the event.

2) In addition, especially younger people, who were trying to enter the job market realized that there simply wasn't a good place for them in capitalism anymore. The mantra that education will avoid immiseration is not always true. Just consider that 40% of Uber drivers have a college degree and that Amazon Mechanical Turk workers are more likely to be college-educated than the average American worker.

3) Part of it was also simple fascination with technology. But as soon as I iterate these words, I have to immediately say that platform cooperativism is not about some kind of misguided techno solutionism. But I do suggest that it is meaningful to embrace these technologies, of course reverse-engineer them for cooperativism, to then use them and update the cooperative and the union movement. Collaborate with Floss developers and build a big tent to bring all of these different groups together.

The big part about the excitement about technology is directed towards blockchain. Blockchain technology is the underlying protocol for Bitcoin. Many people think that it will make the ocean boil. And perhaps they are right, from an ecological sustainability perspective the oceans may indeed warm up, considering the devastating amounts of electricity that this technology is currently consuming. But perhaps this problem can be solved. And on the

other hand, there are genuine opportunities linked to this public ledger. This reaches from applications in record-keeping, banking, and land registries, to so-called Distributed Autonomous Organizations. There's also the idea that this protocol could connect consumers directly with freelancers without any intermediary. An example of this is peer-to-peer business model is [Arcade City](#), a ride sharing service.

There's much excitement about the prospect that one no longer has to trust human beings while algorithms seem undoubtedly dependable. I can't help but notice the parallel to the way Amazon Mechanical Turk interprets its own platform as being exempted from any kind of responsibility related to what happens there in terms of wage theft, for example. They simply step back and say that they have nothing to do with those conflicts because they are only providing the platform. What if there is a protocol that takes out a certain amount of profit from daily transactions but is otherwise detached from agency, disconnected from an organization that could be regulated or questioned? It scares me. While I would not want to see the blockchain rain on all sectors of life, I do see genuine promise when it comes to using this technology, for instance, to bring about democratic governance in distributed organizations.

4) It's quite clear that we are living through a renaissance of cooperatives, farmers markets, cooperative 3-D maker spaces, co-working spaces, coops like [SMart](#) that act like unions, and also freelancer guilds such as [Enspiral](#).

5) I think there's also a certain fatigue when it comes to the language of innovation. Is it really all that innovative to build a technology that generates short-term wealth for a small group who will then take that money and fly off to Mars? Or, should we think about innovation in terms of the common good? It's really not that complicated. Next time you come across a so-called “disruptive technology,” simply put it to the test. Ask how it contributes to the bottom line of the common people. If it doesn't hold up, we shouldn't call those technologies innovative.

6) Another factor was also that some of the alternatives that had presented themselves as the intellectual nerve center of the 21st-century had run out of steam a bit when participants realized that they can't live off enthusiasm alone. While platform cooperativism is completely aligned with the commitment to the commons, there is also a necessity for some kind of enclosure, an enclosure that feeds solidarity, an enclosure that allows practitioners to make a living, especially outside of



the context of the European welfare state. People appreciate the pragmatism of the platform co-op proposal and the fact that they don't have to forget about their values at their day job. It's an alternative that they realize in their lifetime. They could build the new society in the shell of the old, as the IWW would have it. It's absolutely clear that platform co-ops are projects of transition to a better society. They are squarely situated within capitalism; they cannot be an answer to all its ills.

7) Post-Snowden, there's much more awareness not only of the fact that we are the product when the service is "free," but also that we are manipulated in the way we evolve. And there is the realization that the large number of people in cooperatives, for example, could bring about a different system when it comes to, for instance, data ownership. Projects like [Midata.coop](#) are a good example of that.

8) Earlier on I described how I see the belief in benevolent platform owners diminished. There are small or even medium-sized platforms that might use slightly better working conditions as a competitive advantage but on any significant scale, this is not the case. Workers are realizing that they have to take things into their own hands. And in some ways this is also true with regards to federal politics in the United States at least. If you look at the sharpening xenophobia, the post-Brexit insecurities, the Trump phenomenon, and the ensuing political polarization in this country, you can't be surprised that there's a turn away from federal politics. Many cooperativists I spoke with invest their energies in local politics and try to influence their municipalities. It is at this level that they are still committed to the political process. And this is also where platform cooperativism fits in because of its commitment to local communities. This turn of people to their municipalities also echoes the ideas of Murray Bookchin.

These are some of the reasons why I think that the response to the platform cooperativism proposal has been so strong.

**MS: This last year has been quite a whirlwind of talks for you. What would you say has been the biggest impact of platform cooperativism so far? I assume you'd probably say how it's being embraced by cities in Spain, but perhaps you have other ideas?**

**TS:** This past summer I spent five weeks explaining the cooperative platform economy at academic conferences, in the boardrooms of cooperatives, and in front of city councils. I also addressed the Innovation Committee of the Italian Parliament in

Rome.

But in terms of lasting impact, the city of Barcelona decided to include platform cooperativism in [policy directives](#) on innovation and technology for the city. I'm also serving on their Advisory Board for Technological Sovereignty.

Second, the leader of the British Labour Party, Jeremy Corbyn, included platform cooperativism as one of his eight principles for his [Digital Democracy Manifesto](#). While he is the leader of the opposition, I think that it is not unheard of that ideas from the opposition are absorbed into government policy on the British Islands. Corbyn suggested to finance platform cooperatives through the National Bank.

Just a few weeks ago I was speaking, alongside Nathan Schneider, at the [International Summit of Cooperatives in Québec city](#), where we also addressed more traditional, large cooperatives.

**MS: This fall, you are starting the Platform Cooperativism Consortium, which Civic Hall is a founding member of, along with the Center for Civic Media at MIT, the Oxford Internet Institute, the Solidarity Economy Network, and Fairmondo. What is the main purpose of the consortium?**

**TS:** In the context of the [second platform co-op event this November](#), "Platform Cooperativism: Building the Cooperative Internet" we will launch this [consortium](#). It grows out of genuine needs. At our event last year at, a woman walked up to me and asked what platform cooperativism can do for the dental industry. These days, we get emails from groups that want to start platform co-ops. Just recently I got a message from a babysitting cooperative in Argentina that wanted to know what the next steps would be for them to set up a platform co-op. I also got questions from dog walkers in Los Angeles and a group of six men from India who are about to start a tech cooperative.

You can see that the consortium is a response to specific needs of this community.

1) There is genuine need for an open source labor platform for co-ops, for example. I first proposed that in 2014. This would allow co-ops like the ones that approached me to get started quickly. Currently, the barrier of entry is fairly high. We have to change that. And "off-the-shelf" solutions to that problem would be useful. This software could simply be a kernel of a software which could then be customized for local needs by the local developments.

2) There are also legal issues. They might come up in the context of the use of blockchain technology or

they simply emerge when people try to start a cooperative. The process is purposefully made quite difficult in many countries. In Germany, for example, all members of a cooperative have to physically be present in the office of the city administrator if you want to change the charter of the co-op. So, the consortium will give advice on how to overcome such hurdles.

3) Our consortium can help to connect the various actors in the ecosystem so that they can more fruitfully work together without replicating efforts.

4) There is a vast need for advocacy for this kind of work and we can work with policymakers to prepare policy briefs and recommendations to support this ecosystem.

5) We have overcome what Jodi Dean called “commanded individualism” — the focus on individual careers, individual housing, and individual success in favor of cooperation. So this is something we can work on the personal level and I think this is where it all starts. Nobody’s life is just their life. But it’s definitely challenging because institutionally, there is little or no reward for lived solidarity or genuine cooperation.

6) And surely, also obvious from the list of active contributors, this consortium is about research. Without serious research into the history of cooperatives, unions, and the digital economy, this work cannot thrive. It is fairly clear, for example, that [the home health care sector is good place to start a platform cooperative](#). At the same time, there are other areas which heavily rely on a global scale of operation and significant R&D budgets, and they might be less suitable for this model. The question is which sectors are working for this model and which are not.

7) And last but not least, there’s the obvious question of seeking funding to start platform cooperatives. The best way to do this, is to bring all the people that have discussions about different funding models together to coordinate and find ways of introducing inventive funding schemes that can in some way rival the traditional venture capital model.

**MS: This year’s conference on Platform Cooperativism (which we are hosting the unconference section of) is going to be different from last year. Why are you doing a smaller event?**

**TS:** This year’s event, [Platform Cooperativism: Building the Cooperative Internet](#), is indeed drastically smaller. I thought about that for a long time. One person told me recently, “hey, you could’ve

had the next SXSW there,” sounding a bit disappointed. But then I was told that even SXSW organizers are rethinking the massive scale of their event.

Look, a spectacular show may be necessary if you want to make an idea more broadly accessible. In the past, I was often motivated to convene events to [draw mainstream attention to completely underprivileged topics](#). Let’s say invisible digital workers, to give just one example.

And with our event in 2015, we succeeded to an extent in popularizing the idea of platform cooperativism. Large events — and I convened [some that were larger](#) than the one last year — are opportunities to map the landscape of practices in a given field. But such mapping effort is already under way. The prodigious Nathan Schneider has set up the [Internet of Ownership](#), which is in fact a directory of the cooperative platform ecosystem. Anybody who wants to learn about the latest, emerging platform co-ops, can go there and find them meticulously archived.

But in this case, large events are not always what you need if you want to build for lasting impact. We are sending a signal. This isn’t a Broadway play that you attend with popcorn in hand. This is about you picking up your instruments, putting on your own production, promoting the cooperative platform economy and building it, together.

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