# 11. Own This! A Portfolio of Platform Cooperativism, in Progress

by Trebor Scholz

Today, the power asymmetry between those who own the World Wide Web’s core platforms and the users who depend on them, is more pronounced than ever. A decentralized digital economy is needed that is built on broad-based ownership and democratic governance. Platform Cooperativism could be an answer.

Platform capitalism, the economic system currently dominating the Internet, is not working for most people. Despite its initial promise as a new commons, the Internet now serves primarily the few, not the many.

First, the model has resulted in a broken social contract be-tween workers and businesses, exacerbating income inequality. Platforms like Airbnb and Uber focus on short-term returns and rapid growth to please investors, externalizing the risk of business to workers, while offering few essential benefits. Contract work and automation are replacing direct employment at every turn. Precariousness abounds. Second, platform capitalism exacerbates existing social inequities given that many gigs are performed by people who are invisible to customers. Persons of color, especially women of color, are seeing less pay, fewer benefits, and hardly any opportunity for meaningful on-the-job skills training. Many non-white and disabled platform users remain unprotected against discrimination, too. And third, we now live in an era of surveillance capitalism. Despite the fortunes of Silicon Valley investors and developers, the users who give actual value to platforms through their data do not co-govern them. The narrative that these platforms have ushered in a new era of “sharing” only obfuscates the real revolution: the monetization and capitalization of nearly every dimension of our lives, from dating to dishwashing. Despite their continued expansion, investor-backed capitalist platforms dominating today’s Internet are not invincible. We have seen online empires collapse before: remember Yahoo, Lotus, Friend-ster, AOL, or MySpace? There is nothing inevitable about technological development.

In the face of widespread dissatisfaction with capitalism, and in the face of alarming income inequality driven increasingly by these capitalist platforms, it is time to collectively ask: ‘What kind of new digital economy do we want to create?’

## A Humane Alternative to the Winner-Takes-All Economy

Instead of optimizing the online economy for growth and short-term profits for the few, we need to optimize the online economy for workers and all people. Platform Cooperativism, as developed by Trebor Scholz1-2 and popularized by countless people around the world, chiefly Nathan Schneider, does this by applying the 200-year history of cooperatives – its lessons, principles, and best practices – to the digital economy.

A cooperative is defined as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise. A platform is an online application or website used by individuals or groups to connect to one another or to organize services. Platform Co-operativism, the growing movement to cooperatize online businesses, builds on these values by establishing four key principles of its own3-4-5:

* Broad-based ownership, in which stakeholders and workers own, and therefore direct and control, the technological fea-tures, production processes, algorithms, data, job structures and all other aspects of their online platform.
* Democratic governance, in which all stakeholders and work-ers who own the platform collectively self-govern the entity through a one-person, one-vote principle.
* Co-design of the platform, in which various users and marginalized persons are included in the design and creation of the platform so that software is not pushed down onto users, but instead grows out of their needs, capacities, and aspirations.
* And, a commitment to open source development, so that platform co-ops can build new structures of collective ownership and democratic governance, while lifting up other emerging cooperatives in disparate locations, who can avoid having to reinvent the wheel, and apply the cooperative model through a commons of open source code.

Whichever way you look at them, platform co-ops place people at the center, and allow worker-owners to set their own objectives for business. Through distributed ownership, platform co-ops ground the digital economy democratically through a fundamentally new business model that, for the first time, puts workers and users ahead of profits and stockholders. This is not only a struggle for social justice. It is also a struggle for economic development. There have been also successful attempts of platform co-ops pushing back against the gig economy6-7.

## Platform Co-ops Are Already Here

The platform co-op movement is not a figment of the academic imagination. The platform co-op movement is already here. It has gained momentum in numerous sectors and in numerous countries around the globe. The ecosystem of platform co-ops, some 240 projects currently, reaches from Brazil to Switzerland, India to Canada, East Asia to Africa, and places in between8-7-9-10. Various types of platform co-ops are developing and pushing into new markets against the status quo:

* Producer platform co-ops like Stocksy, and Resonate
* Worker platform co-ops like Green Taxi, Co-Rise, and Up & Go
* Data platform co-ops like MIDATA, and Social.coop
* And mutual risk co-ops like smart are proving the sustaina-bility and resiliency of the new business model.

Platform co-ops are ripe for interventions into additional industries, such as food delivery, trash pickup, elder care, short-term rental, transportation, data entry, child care, home repair, social media, higher education, and many others. Projects like Fairbnb, CoopCycle, and others are pushing into these sectors.

Workers value platform cooperatives too, because they offer several key benefits not available in the traditional “business-as-usual” approach of platform capitalism:

* Better job quality and security
* An inclusive design that respects workers needs
* Workers’ formal inclusion in governance of the enterprise
* Value creation not just for workers, but for the community

Platform co-ops also exhibit greater productivity among workers, demonstrate greater resiliency in unsteady markets, and encourage workers to organize not just in the workplace, but in their communities and around larger political issues. Online tools like Loomio are emerging to help facilitate democratic governance for these businesses, accompanying the best practices emerging from existing platform co-ops. Finally, employee ownership, is a central component of cooperatives. Worker ownership is supported by both conservative and liberal political parties across continents11.

Platform co-ops offer a new vision for society. They are actually existing alternatives to some of our current economic dilemmas. The platform co-op movement offers a critical reform, but one that is also deeply structural. It is a reform that has the potential to fundamentally alter power relations in an enduring fashion. If one economic paradigm can slowly lose power through this reform, so too can its alternative gain power, building on small successes. This is the potential of the platform co-op movement.