Uberworked and Underpaid
How workers are disrupting the digital economy

Trebor Scholz

polity
evening, as my grandmother passed through the room looking for our vanished cat, "Gateau," I noticed that she wore the same diamond and ruby necklace as the ancestor in the old damaged painting. Amazon's 14K Ruby and Diamond "Dynasty" necklace looks a lot like my family jewels; the resemblance is shocking enough to have made me drop my cocoa while leafing through the jewel pages this morning in an attempt to bring back, madeleine-style, the vanished days of yesteryear."

You can have the necklace delivered in a day or two with Amazon Prime.

An equally challenging proposal is Ulises Mejías' suggestion to not only refuse but unthink the network logic, to become aware of those who are left out by the network, loosen up our habitualized network-centric thinking, and form subjectivities that are not created in reference to the network. That is, of course, easier said than done, given that the real-time Web is a professional imperative for most people in the overdeveloped world; it's hard to imagine a job that does not, in some way, involve the network.

It would be a false dichotomy to present the option as either being connected or being unplugged, as either signing my life away to platform capitalism or giving it a pass. I can loosen my device dependency through "email sabbaticals" or a day without social media each week. I can engage selectively, actively seek out and experiment with emerging alternative platforms; I can deactivate Facebook for a few weeks or months, and, of course, I can ultimately quit altogether. We are just beginning to imagine what tactical refusal and defection could look like.

Among all the problems with twenty-first-century work — the ballooning of the low wage service sector, economic inequality — the main problem really is that there are so few realistic alternatives. What has been missing from the debate about the future of work is an approach that offers people a realistic alternative. This is what this chapter is about.

First, I will reflect on the opportunities, pitfalls, and consequences of the sharing economy, to then think about possible futures of work. Whoever thinks that there is just one possible future of work ignores the fact that workers are everything but despondent when facing the crisis of twenty-first-century work.

Second, I will ask who, in the face of the Uber-ization of everything from transportation and haircuts, to medical services, stands in solidarity with the poorest, most exploited workers? This section includes discussions of the use of social media for worker mobilization, design interventions that connect otherwise anonymous workers, new guilds, and inventive unions; it stresses the importance of the involvement of young people in electoral politics — pushing for worker-friendly and environmentally sustainable legislation.

This will be followed by an important structural proposal for democratic ownership models for the Internet. I will illustrate the rise of what I am calling platform cooperativism, to conclude with examples of platform co-ops and ten principles for decent labor platforms.
Overview

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1) Consequences of the Sharing Economy

They called it the gig economy, the peer economy, the collaborative economy, the sharing economy. It took a while to acknowledge that the sharing economy was really an on-demand service economy that set out to monetize services that were previously private. It is true that there are undeniable opportunities for students, educated workers between jobs, and everyone who owns a second home. Now, it’s easier for college graduates to land a gig assembling furniture or renovating someone’s house. Consumers, raised with a keen appreciation of low prices and uber-convenience above all else, welcome these upstarts.

In *Who Owns the Future?,* Jaron Lanier suggests that, while the Internet is poised to rid American society of its middle class, micropayments could become its savior. In the 1990s, right-wing acolyte Newt Gingrich welcomed the upward spiral of the Internet as a way to “empower elites and reevaluate forms of government.” If companies like Work Market have it their way, they will become the middlemen when traditional employees at corporations like IBM are replaced by “independents.” Their five-year plan is to achieve a sweeping turn away from waged employment: shifting a market characterized by full employment – jobs for life – to a market that is “liberated” from employment, and dominated by freelancers, partners, and independent contractors. Should we understand the sharing economy as a road sign pointing to a better, more flexible future of work? What has this economy really brought us?

Welcome to the Potemkin Villages of the “sharing economy,” where you can finally sell the fruit from the trees in your garden to your neighbors, share a car ride, rent a tree house in Redwood Forest, or visit a Kinkhbn. Your friendly convenience is, for many workers, a low-wage, precarious trap. But you, on the other hand, can listen to your very own Spotify account in an Uber taxi. No longer do you have to suffer from what economist George Akerlof penned as a “market for lemons;” these new platforms are introducing new checks and balances. You are promoted to middle management, entitled to fire your driver. Companies behind the “Internet of Things” even found a way to suck financial value out of interactions with everyday objects, recruiting them as informants for surveillance capitalism.

Hip labor companies like Handy, Postmates, and Uber celebrate their Andy Warhol moment, their 15 billion dollars of fame. They revel in the fact that they launched their platform monopolies in the absence of a physical infrastructure of their own. Just like AOL and AT&T didn’t build the Internet, and Mitt Romney did not build his business all by himself, the firms in the on-demand economy did not build their empires either. They are running off your car, your apartment, your labor, your emotions, and importantly, your time. They are logistics companies that require participants to pay up to the middleman. We are turned into assets; this is the financialization of the everyday 3.0. In *What’s Yours is Mine,* the Canadian researcher Tom Slee sums it up:

Many well-intentioned people suffer from a misplaced faith in the intrinsic abilities of the Internet to promote egalitarian community and trust, and so have unwittingly aided and abetted this accumulation of private fortune, and the construction of new and exploitative forms of employment.

At the Platform Cooperativism conference, John Duda of the Democracy Collaborative stated that:

The ownership of the institutions that we depend on to live, to eat, to work is increasingly concentrated. Without democratizing our economy we will just not have the kind of society that we want to have, or that we claim to have, we are just not going to be a democracy. The Internet is certainly not helping! It is fueled by short-term thinking, corporate profits; it is directed by venture capital and it’s contributing to the concentration of wealth in fewer and fewer hands. Wherever the tech economy is rampant, housing becomes totally unaffordable. We need to reverse that trend.

Occupations that cannot be off-shored – the pet walker or home cleaner – are becoming subsumed under what Sascha Lobo and
Martin Kenney call platform capitalism. Baby boomers are losing sectors of the economy like transportation, food, and various other sectors, to millennials who fiercely rush to control demand, supply, and profit by adding a thick icing of business onto apps-based user interactions. They are extending the deregulated free market into previously private areas of our lives.

The “sharing economy” is portrayed as a harbinger for the postwork society—the path to ecologically sustainable capitalism where Google will conquer death itself, and you don’t have to worry about a thing. With the slogan “What’s Mine is Yours,” the Trojan horse of the sharing economy rides us of Jurassic forms of labor while unleashing a colossal union-busting machine; passing over especially aging workers. The German author Byung-Chul Han frames the current moment as Fatigue Society. We are living, he writes, in an achievement-oriented society that is allegedly free, determined by the call of “yes we can.” Initially, this creates a feeling of freedom but soon it is accompanied by anxiety, self-exploitation, and depression.

Importantly, we cannot have this discussion without first acknowledging that the “sharing economy” is not some sort of isolated shrink-wrapped cube in “cyber space,” it’s just another reflection on capitalism and the massive atlas of digital labor practices. Consequently, we cannot have a conversation about labor platforms without first conceding that they depend on exploited human lives all along their global supply chains, starting with the hardware without which this entire “weightless” economy would sink to the bottom of the ocean.

All the Apple devices cannot be considered without first reminding ourselves of the labor conditions at what Andrew Ross called “Foxconn’s suicide mills” in Shenzhen, China. Or take the rare earth minerals in the Democratic Republic of the Congo; it is essential to follow the supply chains that facilitate all those outwardly clean and glamorous digital life styles.

There is a mass of bodies without a name, hidden behind the screen, exposed to workplace surveillance, crowd fleecing, wage theft, and proprietary software. As the free software activist Micky Metts cautioned: “When building platforms, you cannot build freedom on someone else’s slavery.”

When responding to a political critique of the on-demand economy, some scholars pose that, well, the terrible results of unfeathered capitalism are well understood; that whole spiel does not need to be asserted yet another time. But perhaps, as McKenzie Wark claimed, “This is not capitalism, this is something worse.” He suggested, “the mode of production we appear to be entering is one that is not quite capitalism as classically described.”

As I argued in chapter 4, the digital economy isn’t merely a continuation of pre-digital capitalism as we know it, there are notable discontinuities—new levels of exploitation and concentration of wealth for which I penned the term “crowd fleecing.” Crowd fleecing is a new form of exploitation, put in place by four or five upstarts, to draw on a global pool of millions of workers in real time.

The current situation needs to be discussed at the intersection of intensified forms of exploitation online and also older economies of unpaid and invisible work—think of Silvia Federici, Selma James, and Mariarosa Dalla Costa’s “Wages for Housework” campaign and, in the 1980s, cultural theorist Donna Haraway discussing ways in which emerging communication technologies allowed for “home work” to be disseminated throughout society.

2) Possible Futures

Twenty or thirty years from now, when we are possibly facing the end of professions and ever more people’s jobs will be “uberized,” we may well wake up and wonder why we did not protest these shifts more forcefully. Despite all the scrumptious, home-cooked convenience of the “sharing economy,” we may end up sharing the scraps, not the economy. We may feel remorseful about not seeking out alternatives earlier on. But we cannot change what we do not understand. So, I am asking, what does the “sharing economy” stand for?

Every uber has an unter

The sharing economy indicates a massive, global push in favor of “digital bridge builders” who insert themselves between those who offer services and others who are looking for them, thereby embedding extractive processes into social interactions. The on-demand economy indicates that digital labor is not a niche phenomenon. Upwork (formerly ODesk and Elance) claims to have some 10 million workers; Crowdwork 8 million; CrowdFlower 5 million. In 2015, 160,000 drivers are on the road for Uber if you trust their numbers. Lyft reports 50,000 drivers. TaskRabbit states that it has 30,000 workers.

In Germany, unions like ver.di concentrate their efforts on defending the rights of employees, while in the United States I see little chance for a return of the 40-hour workweek for those in the contingent sector. The question then becomes, how can we make it better for one-third of the workforce that is not traditionally employed.
Today's extractive platform-based business models make some of the earlier Internet money schemes look like Socialist experiments. Douglas Rushkoff, author of *Throwing Stones at the Google Bus*, points out that "Instead of creating truly distributive businesses, we are just putting industrial economics on steroids, creating more extreme divisions of wealth and more extreme forms of exploitation. We are making all these new technologies like Bitcoin or blockchain but we are not really asking what we are programming these things for." The benefits of platform capitalism for consumers, owners, and stockholders are apparent, but the value added for vulnerable workers and the long-term value for consumers is unclear at best.

New dependencies and new command

It is about the shift from the employee – with his or her W-2 tax document,\(^1\) working a 40-hour workweek – to a more contingent worker, the freelancer, or independent contractor, also sometimes referred to as 1099,\(^4\) gig worker, or "gigster." In the process, workers are losing minimum wage, overtime, and protections through employment anti-discrimination laws. Employers also don't have to contribute to Medicare, unemployment insurance, workers' compensation, or social security payments.

"Whereas traditional employment was like marriage," legal scholar Frank Pasquale writes, "with both parties committed to some longer-term mutual project, the digitized work-force seeks a series of hookups."\(^5\) Energetically projected myths about employment suggest that working as an employee means that you have to give up all flexibility and that working as an independent contractor somehow inherently means that your work is flexible. But this "innate flexibility" of low-income freelancers should be put to question because workers do not exist in a vacuum; they have to adapt to the schedules of their virtual bosses, too.

Using the language of entrepreneurship, flexibility, autonomy, and choice, the burden of the biggest risks of life – unemployment, illness, and old age – have been lifted onto the shoulders of the workers. Platform owners refer to workers as "rabbits," "turkers," "gigsters," or "providers!" I wonder if Leah Busque, CEO of TaskRabbit, would feel insulted if you called her a rabbit. She's a head. The trouble is that she owns her mind and the platform.

Who will be willing to offer employee-like rights to all freelancers, temps, and contract workers? Senator Mark Warner of Virginia\(^6\) and notably Princeton economist Alan Krueger, among others, have suggested a third category of worker that is neither an independent contractor nor an employee: the independent worker.\(^7\) This category of worker would receive many of the protections that come with employment.

A different response to the loss of bargaining power on the side of workers in the on-demand economy comes from the computer programmer and writer Steve Randy Waldman who suggested that the classification of independent contractors should be made contingent on the requirements for workers to "multi-home," work using several platforms, thereby avoiding the trapings of single, dominant platforms like Uber. Waldman understands "multi-homing" as bargaining power when it comes to mitigating the power of monopolies.\(^8\)

The sharing economy is Reaganism by other means

Taking a step back, I argue that there is connection between the effects of the "sharing economy" and the deliberate shockwaves of austerity that followed the financial crash in 2008. Tech billionaires jumped right in, riding on the back of those desperately looking for work, thereby not only increasing inequality but also restructuring the economy in a way that makes this new way of working, deprived of all worker rights, livable, survivable, or, as they would put it, "sustainable."

The "sharing economy" grew out of the lineage of Reagan and Thatcher who, in the 1980s, not only shut down the strikes of miners and flight traffic controllers, they damaged the belief in the ability of unions to watch out for workers; they weakened the belief in the possibility of solidarity, and created a framework in which the restructuring of work, the cuts in welfare checks, and the decoupling of productivity from income became more plausible.\(^9\)

Meanwhile, from April to June 2013, Bank of America, Citigroup, Wells Fargo, JP Morgan Chase, Goldman Sachs, and Morgan Stanley had their highest ever quarterly profits: a combined $42.2 billion.\(^10\)

Demands for qualifications are getting ever higher and anxiety, the fear of unemployment, and poverty have become central life themes for many young people today. All of this led to a world where for millennials, the end of the world seems more plausible than the end of capitalism and their career paths look like autonomous vehicles heading towards Armageddon.

It's Elia Kazan's film *On the Waterfront* on steroids; digital day laborers are getting up every morning only to join an auction for their own gigs. According to the economist Juliet Schor, the sharing economy increasingly provides access to low-level work for the educated middle class who can now drive taxis and assemble furniture...
in people's houses while simultaneously displacing low-income workers from these occupations.\(^{21}\)

One in three laborers in the American workforce is now an independent contractor, day laborer, temp, or freelancer. Voluntarily and forced, people trade their lives as "wage slaves," exposed to hierarchy and authority in the workplace for a life that they can allegedly organize as they wish. The jury is still out whether or not they would rather return to a world with a regular paycheck, a 40-hour workweek, and decent social protections.

Generating profits for the few

With the creation of new occupations in the 1099 economy, businesses like Intuit started to blossom because their software helps freelancers to report their taxes. The software that propels the sharing economy is wrapped up in addictive interface design. On the screen, the ant-sized icon of a taxi approaching your location is as seductive and treacherous as the Sirens who lured Odysseus; it's design for extraction and scale. On the business side, entrepreneurs and software engineers have created new markets, but is this innovation or is there a factory behind the playground? Should innovation be just about profits for the few while leaving in its wake a workforce that is predominantly without sufficient social protections? Is innovation geared for value extraction and growth or is it about the circulation of this value between people?

Efficiency, in the same way, is not a virtue when it is, most of all, built on the extraction of value for shareholders and owners. It is in this sense of taking away value from people that labor companies like Amazon, crowdSPRING, and Taskrabbit are neither genuinely effective nor innovative. Platform capitalism, so far, has been highly ineffective in addressing the needs of the commonwealth. In fact, what initially looked like innovation eventually cranked up the volume on income inequality.

Illegality as a method

In the United States, illegality is a feature of the "sharing economy," not a bug. So far, the Federal government has not intervened, leaving much of the responsibility for regulation to municipalities and states. The sharing economy has been criticized for its "nullification of Federal law,"\(^{22}\) a lack of dignity for workers, the elimination of worker rights, and democratic values like accountability and consent. Firms in the sharing economy failed to pay taxes and violated other federal laws. Their modus operandi follows a pattern. First, companies like Uber disregard various laws – anti-discrimination laws, for instance – to then point to a growing and keen consumer base whose demand for legal changes is only proof of their success. In 2015, Airbnb spent over $8 million to lobby in San Francisco when residents voted on regulating their operations. Uber spends more money on lobbyists than even Walmart. Significantly, both Uber and Airbnb are using their apps as political platforms that can be used to activate their client base to oppose any regulatory efforts against them.

When you learn that Uber drivers in Los Angeles are making below minimum wage; when you know that workers on CrowdFlower and Mechanical Turk earn no more than $2–3 an hour; when you understand that much (if not most) of Airbnb's revenue in New York City comes from hosts who rent out entire apartments for less than thirty days;\(^{23}\) when you are told that startups are sailing around the definition of employment by restructuring work in such a way that the people who are working for them are categorized as independent contractors instead of employees; when you understand that the status of the independent contractor voids the protections afforded to workers by the Fair Labor Standards Act; when Uber, Lyft, and Airbnb continue to run their businesses in cities that shut down their operations; then you will understand why the government and/or municipalities have to act against this "nullification of federal law."\(^{24}\)

In 2015, a Princeton study showed that Uber drivers in 20 cities are netting about $17.50 an hour, which, according to drivers, comes out to anywhere between $10 and $13 an hour after subtracting the cost of gasoline, insurance, auto payments, and auto maintenance.\(^{25}\) Los Angeles approved a $15-an-hour minimum wage, which puts Uber in violation of this law. Now, anyone with a basic awareness of the Fair Labor Standards Act of 1938 would say that such payments must be illegally low; they don't meet minimum wage standards.

Considering the significant attrition rates among Mechanical Turk workers and Uber drivers (half of all Uber drivers do not stay longer than one year),\(^ {26}\) it is clear that these businesses, in their current form, are not sustainable. In the US, not doing right by workers comes at a very low legal risk for business owners.

But there's some hope. In one decision, a Federal judge found that an Uber driver was an employee and not an independent contractor, for example.\(^{27}\) And also Lyft and even Yelp workers are filing lawsuits to become recognized as employees.\(^{28}\) In the fall of 2015, the city of Seattle opened the door for the unionization of Uber drivers. And around the same time, an unlikely coalition of startups and organized labor published a document outlining necessary social protections for
workers that are needed for the digital economy to thrive.\textsuperscript{29} Whether the Federal government has the political will to introduce new worker protections remains to be seen.

On the local and state level, some regulatory efforts are under way. In Montgomery County, for instance, the Maryland General Assembly decided to regulate Uber and Lyft by imposing a $0.25 charge for each trip with those companies. The revenue will then be used to offer more accessible taxi services for eligible senior citizens and low-income residents.\textsuperscript{30} Mayor De Blasio is working to curb the size of the Uber fleet on the streets of New York City, while New York governor Cuomo is ready to override any such regulatory effort.

Amazon.com is rapidly joining the “sharing economy.” Despite the fact that the company is barely above the legal drinking age, it is one of the oldest companies in this digital economy. Amazon's book section started in 1994 and their Mechanical Turk in 2005, but today, Amazon, not unlike Uber, has become a template for countless other businesses. The cruel genie is out of the bottle; companies like CrowdFlower, 99Designs, and hundreds of others are now adapting the business logic of crowdsourcing systems like Amazon Mechanical Turk. Amazon entered the sharing economy with enterprises like Flex, a crowdsourced delivery service that uses regular people, not legacy couriers, to deliver packages.\textsuperscript{31} It also launched HomeServices, which places the company squarely in the middle when you order an electrician or plumber and HandMade-at-Amazon, directly taking on Etsy. In chapter 1, I discussed Amazon Mechanical Turk, where workers can log on to pick from long listings of tasks. Often well-educated, novice workers are making between $2 and $3 an hour in this environment. Just like migrant workers, barristers, or temps in the fast food industry, they are working long hours, are underpaid, and treated poorly by their virtual bosses, and have few or no benefits.

Yet a different future of work is possible; a People's Internet is possible! A coalition of designers, workers, artists, cooperatives, developers, inventive unions, and labor advocates can shift structures so that everybody can reap the fruits of their own labor.

3) Solidarity

Workers
Unpaid interns
Adjunct professors
Uber drivers
TaskRabbits

Independent contractors with a criminal record
Logistics workers in Amazon's warehouses
Crowd workers at Mechanical Turk with a disability
Fast food cooks
Miners of rare earth crystals in Nigeria, China, and the Congo
Migrant workers in ports
Starbucks Baristas
Day laborers outside Home Depot
Women in Foxconn's Shenzhen factories
Designers or developers at Upwork, 99designs, or Fivver
Freelancers
Workers!

Just a few years ago, who would have predicted that IKEA, Walmart, and Amazon would be hit by waves of strikes and walkouts? Or that New York City would introduce paid sick leave and the city's taxi drivers would form the NYC Taxi Association? Who would have believed that in May 2014, fast-food workers from New York City to Mumbai, Paris, and Tokyo, would coordinate a global strike, picketing McDonald's, Burger King, and Pizza Hut, fighting just-in-time scheduling and demanding a $15 minimum wage floor and benefits. For hackers, “long tail workers,” and labor activists, now is the time for solidarity. This is the time to form or join inventive unions, and support design interventions that allow for moments of solidarity among geographically dispersed digital workers. Robotic abundance, layoffs, and wage stagnation do not just appear out of the blue. These are orchestrated developments that can be resisted.

A society that wants to call itself a democracy should not tolerate workplace exploitation in any form. Who stands in solidarity with the poorest, most exploited workers? Historically, capitalist owners were faced with a mass of workers, frequently represented by a union. But today workers are, in many cases, anonymous individuals facing off against anonymous employers. At present, unions cannot easily represent most workers through firm-by-firm collective bargaining: workers often have contracts with more than one company at a time, and many of these companies are skeptical of unions.

What do we make of the steady decline of unions over the past 60 years? In 2012, union membership in the United States reached its lowest point in over 100 years: only 11.3 percent of public sector employees and 6.6 percent of those in the private sector belonged to a union. The implosion of the Soviet bloc around 1989 was one reason for this decline; it removed the only living comparison to another social system and opened up global markets. The class of
owners no longer needed to fear a mass exodus of organized workers who would descend on their suburban cottages.

Canadian sociologist Vincent Mosco, and the Wobblies before him, discussed the dream of one big union of unions, capable of converging various forms of solidarity worldwide. Why couldn’t American and Indian workers connect online and stand united as they face Amazon’s CEO Jeff Bezos?

American unions are too busy with their own problems to take on the plight of digital laborers; I’m not aware of a single American union that has taken on the issue of digital labor explicitly. In contradiction, the German Association of Unions proclaimed, in reference to “digital McJobs,” that they “will not passively watch a modern form of slavery emerge, which drives competition to the bottom.” While such a reference to slavery is unwise, it is commendable that this association of unions has put the issue of exploitative digital work practices on the table. The largest German union, IG Metall, issued a press release suggesting that there has been a pervasive moral decline in the workplace due to digital labor. Consequently, in 2015, IG Metall published the edited volume Crowd Work: Zurück in die Zukunft (Crowd Work: Back to the Future).

Social media for worker mobilization

These are not the days of On the Waterfront, a film showing how unions controlled the hiring on the New Jersey docks in the mid-twentieth century. Today’s digital laborers cannot be reached in cafeterias during lunch break, or outside the gates of the factory. The character Terry Malloy, played by Marlon Brando, would instead be on LinkedIn. He could use apps like LabourLeaks, which, taking the spirit of WikiLeaks and Anonymous, calls on would-be whistleblowers to publicize nuts-and-bolts accounts of underpaid and dangerous work. Or he could crowdfund and gamify worker organizations, handing out badges for talking to other workers instead of rewarding workplace efficiency. Terry Malloy could use Coworker.org, a platform for labor organizing that convenes around worker rights. Why not “napsterize” the Teamsters with peer-to-peer technology, anonymity gear like Tor, or LiquidFeedback, the free software tool for political opinion formation?

Where is the 4chan — the /b/ board — for viral labor memes? Workers at Foxconn in Shenzhen are using social networking platforms like Qzone and Renren to inform other workers about union campaigns; but by doing so, they are also making themselves visible, easily identifiable by their employer.

“Tough day at work? Are you feeling overworked, underpaid, unsafe or disrespected by your boss? You are not alone — and you don’t have to just put up with it.” The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) asked these questions and now offers its own toolkit, including the online platform http://www.fixmyjob.com — also accessible through http://www.organizewith.us. With the help of these tools, workers can clarify their grievances and discover possible routes for collective action.

The Italian media theorist Tiziana Terranova, in her contribution to the New School’s Digital Labor conference in 2014, wrote: “the old forms of blocking production are obsolete, if not impossible.” Instead of these forms, she reframes the traditional general strike as the “social strike” — a permanent experiment of invention which diffuses forms of striking practicable even by those who would, according to the traditional model, be incapable: the unemployed, the precarious, the domestic worker, the crowd worker, the migrant without official documents. The social strike aims to redepoly, reconnect, and reinvent all forms of strike: “The general strike of those who cannot strike, net strikers, strikers within the spaces of education, the gender strike.”

Electoral politics and the materiality of platform capitalism

Beyond this kaleidoscope of strategies, I’d like to add physical protest and electoral politics. Take the great victory of 2012, when the Stop Online Piracy Act (SOPA) was defeated in the US House of Representatives. SOPA’s objective was to control and censor Internet users, to prevent them from violating the copyrights of third parties. Netizens cooperated with large businesses to force their point: on January 18, 2012, thousands of websites, including Google and Wikipedia, went dark or offline for 24 hours to make a clear point that such copyright enforcement would be a gross act of censorship. It was not only the millions of e-mails, countless phone calls, and letters, but also street protests that led elected officials in Washington, DC to realize that SOPA could become a voting issue. The SOPA example could inspire a new species of electoral politics, one led by associations, new guilds, and driven by the pursuit of worker demands. If enough people clamor for better working conditions — based on their own sense of dignity and the right to speak authoritatively of their own lived experience — this may sway some politicians. In the case of SOPA, new media companies worked with activists to challenge the Bill. But who will stand with the digital laborers? Perhaps
the most promising response to this question would be the founding of worker cooperatives. Inspiration could also come from the activist strategies of ACT UP, a coalition of AIDS activists formed in the 1980s when Reagan ignored the deaths of countless gay men who had contracted the immunodeficiency virus. Activists illegally entered the press offices of the firm that produced the murderously priced HIV drugs and faxed out press releases stating that the company would substantially lower the price of the drugs.

Digital labor brokers have headquarters, too – possibly in your city. Protests held right there – outside the offices of Bezos and Biewald – might be a promising way to think about worker pushback. Amazon's headquarters is located at 1516 2nd Avenue in Seattle, Washington.

Inventive unions, guilds, and design interventions

Freelancers Union, founded in the United States by Sara Horowitz in 2001, offers health insurance to each of its 250,000 members: temps, freelancers, part-timers, and other workers who are not insured by their employer. Horowitz sees upsides of freelancing in the freedom from authoritarian workplaces, the autonomy to set one's own work schedule, and the freedom to make alliances with like-minded people. A setback for Freelancers Union has been the introduction of the Affordable Care Act, which led to a $2,000 average increase in annual premiums for members after the initial one-year waiver. Nevertheless, the union provides a client rating system, insurance plans, networking opportunities, and now also a primary care practice for freelancers in New York City.

Many MTurk workers are outspoken about their lack of interest in unions. Friends recommend to friends that they try out MTurk, and they recommend each other better paying tasks. But Turkers also join worker-run forums like TurkerNation, CloudMeBaby, MTurkGrind, and the Reddit subreddit (/r/mturk), to chat, seek emotional support, and direct each other to “lucrative” tasks. On TurkerNation, workers express frustration with particular employers – but such disproval is distinguished clearly from any broad dismissal of Amazon, the company that sustains or contributes to their livelihood.

Design interventions

Lilly Irani, a professor at UC San Diego, asks how to build a system that can support collective action online. How can you gather people, gain critical mass, and mobilize? Together with Niloufar Salehi, Michael Bernstein, Ali Al Khatib, and Eva Ogbe, she built a platform called Dynamo that allows workers to safely post and discuss ideas for actions. One such proposal was to start an e-mail campaign to Jeff Bezos with the intention of humanizing the workers on MTurk.

Irani is also the co-creator of a rating system, Turkoptron, which allows Turkers to flag companies for bad behavior. Early in 2015, Irani’s tool, a Firefox plug-in, was already used by roughly 22,000 workers in any given month. Turkoptron – named a bit tongue-in-cheek after Jeremy Bentham’s Panopticon – is designed as a social support system for MTurk workers. It helps them to identify subcontractors/quasi-employers who don’t pay, subcontractors who severely underpay, and subcontractors who don’t respond to workers whose work has been rejected. If sufficient numbers of workers were to join the platform, employers might have to care about their reputation within the workforce. Design interventions like Turkoptron aim to bring fairness and social peace to platforms like MTurk.

New guilds

In his book A Precariat Charter, University of London professor and labor activist Guy Standing calls for new guilds to fight for more than just better working conditions. It is not sufficient to fight for higher wages; the very structures of production should be under scrutiny. Following the model of social movement unionism, guilds and associations could engage in wider political struggles for social justice and democracy. Digital labor associations, like TurkerNation, could coalesce with existing movements such as the National Domestic Workers Alliance and its equivalents in the fast food industry. While there are, of course, vast differences, precarity unites these groups. As I’ll argue later in this chapter, TurkerNation could build a worker-owned, app-based labor platform. Beyond that, TurkerNation could fight for the recognition of invisible sites of work, and support campaigns for guaranteed basic income, which would secure the future for crowd labor. Such new guilds could inform workers of their rights, challenge their status as independent contractors through coordinated campaigns and class-action law suits, celebrate ethical companies that pay a living wage to their workers; call for international codes of good practice, and a restructuring of social protections for the contingent workforce. As advocated by Guy Standing, they could document, as well as publicize, unfairness, lobby for the application and enforcement of Federal labor law. Such guilds could also advocate for more time to rethink life, rest, live in our bodies, and reflect on
what we are doing at work. What follows is a call to place the people who most rely on labor platforms at the center and turn profits into social benefit. Silicon Valley loves a good disruption, so let’s give them one.

4) The Rise of Platform Cooperativism

We need to build an economy and an Internet that works for all. How can we take lessons from the long and exciting history of cooperatives and bring them into the digital age? Where shall/should you one start/begin? Fifty-one percent of Americans make less than $30,000 a year and 76 percent have no savings at all. From 2000 to 2010, the median income in the United States declined 7 percent when adjusted for inflation. In terms of social wellbeing and environmental sustainability, for more and more people, capitalism is no longer working out. So, let’s think about how the Internet could be owned and governed differently and how solidarity could be strengthened in the process. My collaborator Nathan Schneider asked, “can Silicon Alley do things more democratically than Silicon Valley?”

Whether you are thinking about secure jobs, minimum wage, safety, health insurance, and pension funds—all of these issues can be addressed fundamentally without the reorganization of work, without structural change. None of these issues can be addressed effectively until we reinvigorate solidarity, change ownership, and introduce democratic governance.

“Old school” companies typically give workers as little as they can get away with. The distrust in the willingness of owners and stockholders to watch out for the workers, the distrust in the old, extractive model, the economics of surveillance, and monopoly, and the proliferation of the workplace without borders, led many people to revive the spirit of cooperativism. What are the long-term prospects for platform cooperatives? Aren’t cooperatives an outlived organizational model for work? Anybody who is making that claim should first consider that worldwide, the solidarity economy is growing; cooperatives employ more people than all multinationals combined. Democratic Presidential candidate, US Senator Bernie Sanders of Vermont is promoting worker-ownership as one practicable way to move forward. In today’s United States, 900,000 people are employed by co-ops.

In her book Collective Courage, Jessica Gordon Nemhhard describes the Black experience in cooperatives in the US as one of activism, grounded in the experience of the struggle for human rights. The Japanese consumer cooperative union serves 31 percent of the nation’s households and Mondragon, Spain’s seventh largest industrial corporation is a network of cooperatives that in 2013, employed 74,061 people. Emilia Romagna, an area in Italy that encouraged employee ownership, consumer cooperatives, and agricultural cooperatives, has lower unemployment than other regions in Italy. Forty percent of agriculture in Brazil and 36 percent of retail markets in Denmark are made up of cooperatives, according to Kelly. Forty-five percent of the GDP of Kenya and 22 percent of the GDP of New Zealand come from cooperatives. Despite many setbacks, it would be hard to successfully argue that the cooperative model is done with. In the United Kingdom, for example, there are currently 200,000 people working in more than 400 worker cooperatives. In Berlin, citizens are currently forming utility cooperatives to buy and operate the city’s power grid. In the German city of Schönau, another such consumer cooperative runs and operates both the power grid and the gas supply for that city.

For 2016, New York City Council Member Maria del Carmen Arroyo reports that New York City approved a $2.1 million Worker Cooperative Business Development Initiative for the city. In 2015, women almost exclusively operated the coalition of 24 worker-owned cooperatives in New York City. Low-wage workers who joined these cooperatives saw their hourly rates increase from $10 to $25 over the past two years.

Undoubtedly, the challenges for all co-ops are vast. Just think of Walmart, which is, after the US Department of Defense and China’s Liberation Army, the third largest global organization. For cooperatives, to compete with such giants is no walk in the park. But still, in this struggle about the imagination of the future of work, who should be the driving agents of change? Is it the platform owner, shareholder, CEO, and VC, or do we focus on the collective of workers alongside a citizen-led movement? The answer could be: all of the above.

But for me, the problem begins when change is sought mainly in the boardrooms of Silicon Valley. Tim O’Reilly convened the NextEconomy in November 2015, for instance, which was vastly dominated by Silicon Valley business leaders. And if the selection of speakers—who, despite two or three labor advocates, were predominantly corporate leaders—did not make it clear who was identified as agents of change, the conference registration fee of $3,500 clarified that once and for all.
Former Secretary of Labor Robert Reich pointed out that in order to “save capitalism,” workers have to have minimal social protections; otherwise there will be a rebellion. Robin Chase, co-founder of Zipcar, echoed Reich’s sentiment. And sure enough, if you want to retain social peace, you have to give workers something. You can appeal to the best in corporate leaders, as Tim O’Reilly does perhaps, you can hope for their goodwill, but the question remains if such pleas can change the core mission of these enterprises. It is true that workers need solid protections and somebody who really cares for their long-term welfare. Being “realistic” also means to realistically assess whether platform owners will go beyond handing out small concessions to workers. Being realistic means acknowledging the historical successes and failures of the extractive “sharing economy” and the solidarity economy. You cannot counter economic inequality with the benevolence of owners; together we must redesign the infrastructure with democracy at its core.

As part of this redesign, it is also worth re-examining the history of building structures for cooperativism and mutualism in the United States. Here, spiritual communalism and co-operative movements play a central role. The German Mennonites, including the Amish, started coming to the US as early as 1684. In the spring of 1825, Robert Owen opened the doors of the New Harmony community in Indiana. In the 1930s, The Nation of Islam as well as the Catholic Worker Movement set up hundreds of communal projects. The Catholic social teaching of distributism is influential in that context. It suggests that communities could own property and tools. Three decades later, the Hindu Kripalu Yoga Ashram and the Buddhist Karme-Choling Center were founded. Spiritual communities and co-ops have often proven to have more staying power than secular cooperative businesses.

Since the first modern cooperative in Rochdale in 1844, there has been enough time to talk about worker cooperatives, critics argue, and in their minds the evidence shows that the model isn’t working. And partially, they are right; most worker-owned cooperatives in the United States did not succeed. But it also worth keeping in mind, as the author John Curl observes, that

The very existence of cooperatives challenges corporations and capitalism; corporations have always worked hard to weaken, discredit, and destroy [cooperatives] through waging price wars, enacting legislation that undercuts their viability, labeling them in the media as subversive and a failure, and using several other stratagems.38

Also Rosa Luxemburg was cautious when it came to thinking about cooperatives as all-out alternatives to capitalism.

The workers forming a co-operative in the field of production are thus faced with the contradictory necessity of governing themselves with the utmost absolutism. They are obliged to take toward themselves the role of capitalist entrepreneur—a contradiction that accounts for the usual failure of production co-operatives which either become pure capitalist enterprises or, if the workers’ interests continue to predominate, end by dissolving.39

All methods that enable an enterprise to stand up against its competitors in the market are used, Luxemburg wrote.40 There is, however, the undeniable and important effect that co-ops have on the workers in those systems. Existing cooperatives have been shown to offer more stable jobs and reliable social protections than traditional extractive models. It would be unhelpful to see co-ops as rosy alternatives; they function within a capitalist context where they are forced to compete. Networks of cooperatives like Mondragon cannot truly decouple themselves from the exploitative supply chains that fuel capitalism.

One common objection to cooperatives is that they are just as much bound to market pressures as any other capitalist enterprise, which makes self-exploitation unavoidable. Eventually, co-ops too can resort to the gambit of unpaid internships and uncompensated volunteers. Co-ops are exposed to the pitiless competition of the market, but in the light of the 20-30 percent profit that companies like Uber are taking, one approach would be for platform cooperatives to offer their services at a lower price. They could run on 10 percent profit, which could then be partially translated into the social benefit of workers. Cooperatives could also flourish in niche markets, taking on low-income clients/consumers as their target groups.

Co-ops have been important instruments for building economic power for marginalized groups. Karla Morales of the childcare co-operative Beyond Care describes the simple benefits of working in a co-op: “In my work now I have sick leave, vacations, and employment entitlements.”41 Beyond this co-op in New York, it has been the southern states where agricultural co-ops have built economic and social self-determination, especially for African American communities. At times, though, co-ops have reinforced hierarchies of race and gender, reproducing rather than challenging the practices of the broader society. Juliet Schor pointed out that:

If you are interested in social justice, then you should know that in non-profit spaces, there are high levels of race, class, and gender exclusion. People act in ways that reinforce their own class position or their own racial position. These spaces are often more problematic from the perspective of race, class, and gender than many for-profits. So if you
want to build a platform that attracts people across class, race, and
gender, you need to start with the group of people that you want to
attract to your platform.\textsuperscript{34}

Skeptics bemoan the fact that credit unions haven’t really trans-
formed the economy as a whole and that worker-owned cooperatives
have not become the beachheads of socialism that they were promised
to be. But then there is the indisputable long-term benefit for the
workers in those enterprises; and, doesn’t that count for anything?
Here, workers control their own work in a fashion that contributes
to their own wellbeing. Cooperatives, however small, can function
as ethical, self-managed counterparts that provide a model for busi-
nesses that don’t have to rely on the exploitation of their workers.
Cooperatives can bring creativity not only to the consumption of
products but also to the reorganization of work.

There have been frequent references recently to Hannah Arendt
who observed that a stray dog has a better chance of survival when
it is given a name. So, welcome to platform cooperaativism.

\textit{Together we will grow old we will hold
each other close and we will hold each other closer
We will hold each other as the country changes; we will hold each
other as the world changes.}
\textsuperscript{35}

The concept of platform cooperativism has three parts: First, it is
about cloning or creatively altering the technological heart of the
sharing economy. It embraces the technology but wants to put it to
work with a different ownership model, adhering to democratic values,
so as to crack the broken system of the “sharing economy”/on-demand
economy that only benefits the few. It is in this sense that platform
cooperativism is about structural change, a change of ownership.

Second, platform cooperativism is about solidarity, which is sorely
missing in this economy driven by a distributed, and sometimes
anonymous workforce. Platforms can be owned and operated by
inventive unions, cities, and various other forms of cooperatives,
everything from multi-stakeholder and worker-owned co-ops to
produser-owned platform cooperatives.

And third, platform cooperativism is built on the reframing of
concepts like innovation and efficiency with an eye on benefiting all,
not just sucking up profits for the few. Platform capitalism is amaz-
ingly ineffective in watching out for people. I am proposing ten
principles of platform cooperativism that are sensible to the critical
problems facing the digital economy right now.

The concept of platform cooperativism, or at least part of it, was
hard to understand. People understood the “cooperativism” bit but
the “platform” part remained mysterious. What do you call the
places where you hang out and generate value after you switch on
your phone? A platform, in the context of this chapter, is a term used
to describe an environment in which digital intermediaries offer their
services or content.

Right from the outset, when explaining the concept of platform
cooperativism, let me clarify that this is not about a technological
aurora borealis; it can’t be about the Western infatuation
with advancements in technology. Platform cooperativism is a
mindset. Evgeny Morozov and Siva Vaidhyanathan are absolutely
right in their stance against “technological solutionism” and Internet
centrism.

Platform cooperativism is a term that describes technological,
cultural, political, and social changes; it’s a rectangle of hope.
It is as much Ernst Bloch’s concrete utopia as it is an emerging
economy. Below, I will describe some models, none of them
older than a few years, some prototypes, some experiments, some
still merely imagined, but all of them imbued with alternative
values. After this introduction to various types and principles for
platform co-ops, I will discuss objections, challenges, and the co-
operative ecosystem.

5) Toward a Typology of Platform Co-ops

Some examples of platform cooperatives already exist. Naming them
here inevitably excludes other important projects, but not introducing
concrete instances would leave us open to the suggestion that plat-
form cooperativism is nothing but a pipe dream.

Cooperatively owned online labor brokerages and marketplaces

Quite likely, you’re familiar with the model of the online labor
brokerage. Just think of companies like TaskRabbit where you can
schedule someone to assemble your IKEA furniture in 20 minutes.
The app on your smartphone serves as an intermediary between you
and the worker. It’s trickle-up economics with TaskRabbit extracting
a cut from each transaction.

The “sharing economy” lawyer and cartoonist Janelle Orsi notices
a decisive uptick in the interest in cooperatives. She reports that
dozens of tech startups and traditional businesses like florists or
landscapers have reached out to her Sustainable Economies Law Center because they are interested in “crowd leaping,” the migration of their business to the co-op model.

In San Francisco, Loconomics is a freelancer-owned cooperative where members-freelancers own shares, receive dividends, and have a voice in running the company. There is no bidding and no markup. Loconomics offers massages and other services that are locally in demand. Membership in Loconomics costs $29.95 per month. The founders tested the app in the San Francisco Bay Area early in 2016 and expanded to other cities shortly after that.

Ali Al Khatib, a Stanford PhD student in Computer Science, started to work on the design of a “generalizable, worker-centric peer economy platform” that would allow workers to own, operate, and control the software. The project, still in its early stages, is co-shaped by the workers.

In Germany, Fairmondo, started as a decentralized online marketplace owned by its users, is a cooperative alternative to Amazon and eBay. With its 2,000 members, it aspires to eventually become a genuine alternative to the big players in e-commerce while at the same time staying true to its values. The site promotes a smaller number of fair trade and ethically sourced companies. In the process of transferring their model from Germany to other countries, they are aiming for a decentralized global online marketplace that is collectively owned by all local co-ops.

Coopify is a student-built labor platform that connects low-income workers to the digital economy. Workers using Coopify are low-income New Yorkers who are under- or unemployed and who do not have sufficient credit rating or documentation that would allow them to participate in existing online markets. The platform, which will likely include its own referral system and multilingual support, may also offer support with taxes and allow workers to be paid in cash. The Center for Family Life (CFL) in Sunset Park, New York, is a social support agency that is testing Coopify. Melina Diacos, an MBA candidate who helped develop Coopify, said that the business removes the middleman; it “won’t have to rely on the bottleneck of office managers for bookings” and “the money is going to the worker, not the business of the Coopify platform.”

Coopify should “bring a face and a sense of community to the app-based booking world,” said Emma Yorra of the CFL.

CFL has been incubating worker cooperatives as a way to provide living wages and dignified working conditions to low-income immigrants since 2006. The center supports nine co-ops and a total of 180 worker-owners – mostly Latina women. Coopify will help these nine co-ops to compete more effectively with the likes of Handy and Amazon Flex.

City-owned platform cooperatives
After talking about cultural producers, now let me make a big leap and discuss public ownership, which has an image problem in the United States. The political economist and founder of democracy collaborative, Gar Alperovitz, writes that there are more than 2,000 publicly owned electric utilities that, along with cooperatives, supply more than 25 percent of the country’s electricity. Alperovitz points to the long history of cities like Dallas owning various hotels, and municipalities all over the United States owning hospitals, and apparently, contrary to public opinion, this model has been working rather well.

Janelle Orsi has detailed ideas about ownership and the Internet. Corresponding to my proposal to repurpose and creatively change technologies of the “sharing economy” with democratic values in mind, Orsi suggests a city-designed software similar to Airbnb, that could serve as an online short-term rental platform owned and democratically controlled by the city or the residents themselves. One such project is already under way in Seoul (South Korea). It is proposing to create a Cities Alliance for the Platform Economy (CAPE) that would build such a rental platform. Orsi calls such collaboration between a large number of cities “Munibnb.” The idea is that cities would pool their resources to create a software platform for short-term rentals. These cities could then mandate that short-term rentals in their municipalities have to go through this portal. Fees could largely stay with the hosts or partly go to the city government, which could then use it to serve its residents or maintain infrastructure. Orsi asks:

Why should millions of traveler dollars leak from our cities into the hands of wealthy corporate shareholders especially if it wouldn’t be all that hard to run these operations through something like Munibnb.

Another model, suggested by Orsi, Allbnb, would secure a dividend that would be paid to residents from the profits of such rental platform. Allbnb could be comparable to the Alaska Permanent Fund, which pays residents of the state a few thousand dollars each year, a percentage of the profits that Alaska makes from selling oil. These apps seem ultimately feasible to implement; they would allow cities to not only play a role in the regulation of the on-demand economy; they could actively co-share it.
Produser-owned platforms

I am using the term “produser,” which is not a typo but a portman-teau of user and producer. Produser-owned platforms are a response to monopolistic platforms like Facebook and Google that are luring users with the promise of the “free service” while monetizing their content and data.

What if we owned our own version of Facebook, Spotify, or Netflix? What if the photographers at Shutterstock.com owned the platform where their photos are being sold? Sites like Member's Media, Stocksy, and Resonate are a step in the direction of answering this question. They offer produsers the opportunity to co-own the site through which they are distributing their artwork. Produser-owned platforms allow artists to build careers by co-owning the platforms through which they are selling their work.

The Berlin-based Resonate, is a cooperative streaming music system owned by the people who use it. Stocksy is an artist-owned cooperative for stock photography. The co-op is based on the idea of profit sharing and co-ownership with the artists who are contributing photos to the site. Artists can apply to become members and when accepted, license images and receive 50 percent commission on sales as well as profit sharing at the end of the year. The objective of the cooperative is to create sustainable careers for its members. By 2014, their revenues had reached $3.7 million dollars, and since their founding they've paid out several million dollars in surplus to their artists.

Member's Media is a cooperatively-owned media platform that is dedicated to producers and fans of independent, narrative film. The people using and producing for this site - the produsers - own the majority of the platform along with the original founders and investors.

Union-backed labor platforms

There are several examples from Denver to Newark where cabbies and unions started to work together, build apps, and organize the taxi sector. And if companies are smart, they would welcome the unions because studies show that unionized workers have a better retention rate and at least the same productivity.

In Newark, New Jersey, Transunion Car Service started as a non-for-profit taxi service with drivers being part of the United Transportation Alliance of New Jersey and affiliates of the Communications Workers of America (CWA) local 1039. Drivers benefit from the union's many protections such as credit unions, immigration support, and healthcare, as well as pension benefits. The company is planning to expand to Atlantic City, Elizabeth (New Jersey), and Hoboken.

Already in 2007, taxi drivers joined the CWA local 7777 and two years later, they managed to kick off Union taxi, the first driver-owned cooperative in Denver. They are also getting support from the organization 1worker1vote.org that supports unionized cooperatives by helping them figure out how to negotiate wages, benefit plans, and training programs. The upfront capital costs, often a big challenge for cooperatives, are less of an issue here because drivers already own the equipment.

The California App-Based Drivers Association (CADA) is a not-for-profit membership organization that unifies drivers from Uber, Lyft, and Side-car and other apps-based companies. CADA's drivers are not employees and therefore they cannot become full members of the union. However, the Teamsters Local 986 in California can lobby for driver-friendly regulation. They make sure that drivers working for companies like Lyft and Uber are speaking with a unified voice.

Cooperatives as a result of antitrust legislation

Another alluring if imaginary proposal is the idea of worker cooperatives forming inside the belly of the sharing economy. Uber drivers could use the technical infrastructure of the company to run their own enterprises. Such hostile takeover by workers could be imaginable as a result of an antitrust lawsuit comparable to the one brought forward against Microsoft after its launch of Internet Explorer.

The platform as protocol

Perhaps then, the future work will not be dictated by centralized platforms, even if they are operated by co-ops. Perhaps, it will be peer-to-peer interactions facilitated by protocols that enable business. In Israel, for instance, La'Zooz is a distributed peer-to-peer ride rental network. Where Members Media wanted you to think of them as Netflix for filmmakers and fans, owned by those produsers, La'Zooz could be likened to the BitTorrent of ride sharing. Anyone driving around a city can earn crypto tokens by taking in fellow travelers. Unlike the systems previously described, La'Zooz is built merely on peer connections; there is no central business.
6) Ten Principles for Platform Cooperativism

A technical discussion of values, rules, and guidelines for platform co-ops is, no doubt, for the already committed. First must be the creation of a longing for cooperative solutions. Astra Taylor holds up the wisdom of Elaine Browne, former leader of the Black Panther Party: “You never organize or mobilize around abstract principles.” Of course! But once people are committed, once they are moved, once they are on board, principles and values associated with a project matter a great deal. Juliet Schor conducted 200 interviews with workers in the sharing economy. Her suggestion is:

*Make sure that you get the value proposition right. What you are offering needs to be of economic value to the people that you want to attract. In the non-profit space this is often missing. The for-profit space is getting that right more often.*

Beyond Schor’s points, informed by the thinking of the German service worker union ver.di, I’m proposing the following principles for platform co-ops.

1. Ownership

One of the main narratives of what used to be called the sharing economy was about the rejection of ownership. Millennials, we were told, are not interested in physical possessions; they just want access to “stuff.” They don’t download their music; they stream it. They don’t buy a car; they are fans of ride sharing. Our narrative, in contrast, is about a people-centered Internet.

The Internet was designed as a military scientific network in 1969. But from 1990 up to 1994, the National Science Foundation planned to pass the network to private companies who would now own the cables and routers. In 1995, the publicly funded Internet infrastructure – The National Science Foundation Network (NSFNET) – was officially handed over to the private sector. Since then, the Internet has brought us much in almost every area but it has left the question of shared ownership untouched.

This is not about cute kittens on Reddit; it is about an Internet of ownership. Collectively owned platform co-ops, owned by the people who generate most of the value on those platforms, could reinvigorate this early, public minded history without. Platform cooperativism can change the ways average people think about their relation to the Internet.

2. Decent pay and income security

In 2015, crowdsourcing systems like Amazon Mechanical Turk novice workers – who are well educated – are paid between $2 and $3 an hour, which is a disgrace in a country as rich as the United States. Just as domestic workers were tucked away in people’s houses, digital workers remain invisible, tucked away in between algorithms. The Domestic Workers Alliance pushed back. At the White House Worker’s Voice event, they introduced a Good Work Code with demands including: “Everyone needs fair pay and benefits to make a living.”

3. Transparency and data portability

Transparency isn’t only about operational transparency. The cooperatively owned online marketplace Fairmondo, for instance, emphasizes that it makes most of the budget of the co-op publicly available. But transparency is also about the handling of data, especially the data on customers. It should be transparent which data are harvested, how they are collected, how they are used, and to whom they are sold.

4. Appreciation and acknowledgment

A good working atmosphere should be part of this discussion, too. Workers deserve the acknowledgment and appreciation of owners and operators. The ability of workers to communicate with platform operators or owners is central in this context. When workers are paid late or fired, they must have the enforceable right to get an explanation.

5. Co-determined work

The design process of labor platforms should involve workers from the first moment and throughout the platform’s existence. This way, too, operators will learn much more about the workflow of workers. As Juliet Schor said, “Start with the people that you want to end up with.” From day one, involve everyone that you eventually want to use your platform.

6. A protective legal framework

Platform co-ops require legal help because they are deemed unusual, but your help is also necessary when it comes to defending
cooperatives against adverse legal actions. The triumph of the shareholder enterprise has been achieved through their control of the political, legal, and economical system. US laws subsidize corporations over the wellbeing of all people. Frank Pasquale has observed that there is a bizarre inconsistency in US antitrust law based on the difference between monopolies and co-ops.  

While monopolies can get a free pass in the US if they vaguely play by the rules, a federation of co-ops trying to take on a dominant incumbent firm might be liable under antitrust law if it tries to set prices or even standards of conduct. The legal system in the United States is mostly welcoming of monopolies but unaccepting when it comes to cartels. The powers of the government promote the system of corporate rule and the marginalization of the middle classes.

7. Portable worker protections and benefits

Both contingent as well as traditional economy workers should be able to take benefits and protections with them in and out of changing work scenarios. Social protections should not be tied to one particular workplace. The French government is testing this idea and in the United States, Steven Hill, a San Francisco-based author, is one of the people who made this proposal in his latest book Raw Deal: How the “Uber Economy” and Runaway Capitalism Are Screwing American Workers. Each worker would be assigned an Individual Security Account into which every business that hires that worker would make a small pro-rata “safety net fee” payment based on the number of hours a worker is employed by that business. Those funds would be used to pay for each worker’s safety net, steering the funds into already established infrastructure such as Social Security, Medicare, injured worker and unemployment compensation funds, and health care through the Affordable Care Act. In addition, this plan would provide a minimum of 5 days each of paid sick leave and paid vacation for every worker.

An important consequence of this proposal is that, by putting nearly all workers on a similar footing, we would greatly reduce the incentives for employers to resort to contingent workers as a way of avoiding paying benefits for workers. These changes can be implemented at the local or state level; Americans don’t have to wait for a dysfunctional Congress to move forward. But much would depend on the “small print” of such a program, which could just as easily become a cover-up for more deregulation.

8. Protection against arbitrary behavior

Uber is known for its arbitrary disciplining and firing practices. Without warning, drivers may be left without an income. Reasons for the firing of drivers are often unclear as the company refuses to respond to the enquiries of drivers demanding an explanation, a problem that is also facing workers at other platforms. On Uber, if drivers fall below a 4.6 rating, they will be “deactivated.” Consumers take on managerial powers over workers’ lives, which comes with an enormous responsibility.

And if this was not enough, Uber’s reputation system faults drivers for fat-fingered passengers who simply hit the wrong button when evaluating a driver, thereby putting the driver’s livelihood in jeopardy. Uber’s worker reputation system is hosted in the “cloud,” on Amazon’s web services. Just like with other upstarts in the sharing economy, this makes it impossible for workers to capitalize on their reputation. When they are moving to another platform, they are starting from scratch. Consequently, it is essential that workers establish their own, decentralized reputation and identity systems. Projects like Traity and Crypto Swartz are working in that direction.

9. Rejection of excessive workplace surveillance

Excessive workplace surveillance along the lines of oDesk’s (now Upwork’s) worker diaries or the constant reviews on TaskRabbit need to be rejected. Where is the dignity of work in such systems? How would you like to get up every morning, only to leverage some quantitative measure of your worth in competition for that day’s work? How would you like to be evaluated every four hours by people you don’t know at all? Such surveillance practices leave workers without much dignity.

10. The right to log off

Workers also need to have the right to log off. Decent digital work should have clear boundaries, platform cooperatives need to leave time for relaxation, lifelong learning, and voluntary political work.

It is important to articulate such a vision, guided by such lofty principles. It will take us a very long time to get closer to this vision. Our inability to imagine a different life, however, would be capital’s ultimate triumph.
It will not come as a surprise when I say that platform cooperativism is also faced with enormous challenges, from the self-organization and management of workers, to technology, user experience (UX) design, education, long-term funding, scaling, wage scales, competition with multinational corporate giants, and public awareness. Other challenges include the screening of core members of a co-op, insurance, competition with multinational corporate giants, and importantly, public awareness. Thinking through obstacles clearly matters. Naivety and enthusiastic arm waving are not enough. Jodi Dean has a point when she posits that “Goldman Sachs doesn’t care if you raise chickens” but corporate owners will become interested if they get wind of the growth of chicken cooperatives, powered by online marketplaces, all across North America. To make decent digital labor a reality, like-minded people will escape the rat race and fight for democratic ownership and rights.

Another challenge is that of worker mobilization: so-called 1099 workers don’t meet their colleagues for lunch break, they don’t get to hang out in union halls. Instead, they are, for the most part, isolated from each other. “If these people have to gain ownership and decision-making power, enhancement of their social networks must be part of the project,” economist Paolo TuBaro emphasizes in response to the idea of platform cooperativism.84

There have been some attempts to create new forms of worker solidarity, including design interventions like Turkopticon and Dynamo, which I mentioned earlier. But neither of these projects should be mistaken for a union. The challenge remains: how do you organize distributed workers and empower them with real bargaining power?

7) The Cooperative Ecosystem

Platform co-ops are not islands, entire of themselves. Every co-op is part of an ecosystem. Neal Gorenflo writes:

Part of the magic of tech startups is that there’s a well-understood organizational structure, financing method, and developmental path for entrepreneurs to use. In other words, there’s a template. Platform co-ops need templates too, but the ones that support a diversity of organizational patterns. What’s needed is a small number of incubators in different global cities working together to give birth to the first wave of platform co-ops. The trick is to get the first few platform co-ops off the ground, and then develop a global ecosystem that encourages replication of working models across industry verticals and geographies.85

Platform co-ops depend on other cooperatives, funding schemes, software engineers, lawyers, workers, and designers. Alliances between co-ops are essential. They need to be based on standards, a commitment to the open commons, shared strategies, goals, and values: a shift of mentality from Ayn Rand to Robert Owen, supported by a political platform.

Financing

Platform cooperatives and co-ops in general are calling for a different funding scheme than traditional enterprises. Many of the traditional avenues for funding are not available to platform co-ops and regulators eagerly guard against experiments. What are financing options that broaden the financial power of the many?

On the one hand, the upfront capital costs that often present the biggest challenge for co-operatives are not the biggest obstacle in this case. At least when you think of transportation, the drivers already own their major assets. In Spain, Mondragon, the world’s largest industrial cooperative, is functioning like a development bank. In Germany, banks also play an important role in the development of small business, which makes up a large part of that country’s economy.

Projects like Seed.coop are helping co-ops to get off the ground.86 Crowdfunding drives can be successful. The Spanish crowdfunding site GOTEI is worth highlighting here because it only allows projects to seek funding that follow a commons-oriented set of values.87

In his article, “Owning is the New Sharing,”88 Nathan Schneider reported about the world’s first experiment in “crypto equity” called Swarm,89 a crowdfunding site that relies on a “swarm” of small investors rather than big venture capitalists. The site runs on a crypto currency, not dollars, but as part of its first drive, it raised more than $1 million.

But regulators don’t make things easier. In 2011, Brewster Kahle, founder of archive.org, attempted to start a credit union but was faced with a barrage of regulatory audits and the bureaucracy eventually led him to give up.90 Silicon Valley, which is built on speculation, short-term returns, and jumping ship through initial public offerings, is not the right funding model for cooperatives, which grow slowly and are designed for sustainability.

The philanthropy platform External Revenue Service aims to help non-profits so that they are not spending all of their time on begging for money. With External Revenue Service, users pledge a particular amount per month, which is then divided up among their favored organizations.91 Max Dana of External Revenue Service writes:
Free software for platform co-ops

The backend of platform co-ops needs to be free software. Not only must the code be accessible to the workers so that they can understand the parameters and patterns that govern their working environment, the software also needs to be developed in consultation with the workers from day one.

In the transportation sector, for example, we’re talking about at least four apps. There’s one app for the passenger and one for the driver, and these have to be programmed for Android and the iPhone; and those would have to be kept constantly updated and usable, as operating systems and phones are frequently changing. This also means that funding for the developers needs to be ongoing. Platform co-ops cannot be built based on one-time crowdfunded initiatives.

Free software developers could publish core protocols and then allow various independent open source projects to build their own different backend and front-end components. This would accommodate the various service sectors—from crowdsourcing, undocumented migrants, and domestic cleaners, to babysitters.

Blockchain technology as algorithmic regulator?

As co-ops start to take part in online labor markets, they become more distributed, more international. The trust among members that existed in local organizations is no longer a given. Blockchain technology is one way to address the problem of trust.

Blockchain is the protocol underlying the virtual currency Bitcoin. But the most relevant developments for platform co-ops are not solely about Bitcoin itself; “blockchain” has applications well beyond cash and currency. “The blockchain is a distributed ledger that runs under the Bitcoin currency,” Irish researcher Rachel O’Dwyer explains. Blockchain technology can constitute a public database that can then be used for all kinds of transactions that require trust. Governments, for instance, experiment with blockchain technology for voting applications. The Honduran Property Institute has asked Factom, an American startup, to provide a prototype of a blockchain-based land registry, for example. O’Dwyer cautions that while there is lots of positive potential, currently most of the applications of blockchain technology are closer to venture capitalism than venture communism: Think better sharing between private banks and “improved” forms of digital rights management.

But this technology also allows for middle-man-free peer-to-peer marketplaces. Imagine “decentralized autonomous organizations”
and virtual companies that are basically just sets of rules for transactions executed between peers.9 Where would one turn if something goes wrong? Blockchain-based programming is also used as a “consensus mechanism” for platforms/tools that facilitate democratic decision making in cooperatives. Here, bylaws, membership, shares, and voting records could be irrevocably stored.

On the other hand, “blockchain technology is based on the idea of delegating trust away from centralized institutions like the state, but also social institutions, and putting that instead into a technical architecture. Some people call this trust in the code but this block also presumes that we no longer have trust in each other. Instead, you are asked to trust some kind of algorithm. Some have even called this a form of algorithmic regulation,” O’Dwyer said.100 There is also the concern that blockchain-enabled marketplaces could make it easier to avoid paying taxes, for instance.

A consortium focused on the creation of a template of platform co-ops

In our experience working to connect people interested in cooperatives and the Internet, we noticed that developers across the country are working on similar projects.

Underfunded system designers on the West Coast would set up an online labor market while an East Coast project does something similar, but neither of them would consider joining forces.

My proposal is for various developers worldwide to work under the auspices of a platform co-op consortium that would be able to raise funds for the ongoing development of the kernel of such free software projects. Contrary to Jeremy Rifkin’s proposal of a marginal cost society, it is still extremely expensive to program and constantly update an online labor market and such a foundation could assist.

Democratic governance

Cooperative structures call for collective decision making, conflict resolution, consensus building, and the managing of shares and funds in a transparent manner. Then there is also the overall management of workers. One of the central questions in this discussion is how its abuses of power can be kept at bay. One of the essential questions is governance. How could the platform govern itself in a distributed, truly democratic way? Convincing tools based on blockchain technology have emerged over the past few years: Backfeed, D-CENT, and ConsenSys.

Loomio, also sometimes referred to as “the Facebook of the citizen web,” is a worker-owned cooperative based in Wellington, New Zealand, and New York City101 that produces open source software, very much guided by the values of Occupy. It is a web app that features communication and polling tools that make it easier to facilitate democratic communities.102 In Spain, 27,000 citizens joined Loomio to connect a nationwide grassroots network to the rapidly growing political party Podemos. Altogether, 100,000 people in 93 countries are already using Loomio.

Backfeed.cc is a distributed collaborative organization based on blockchain technology; it supports coordination within a self-organized network.103

D-CENT was born out of recent activism work in Catalonia, Iceland, and Greece. A suite of tools is being created to be used for rapidly implementing democracy and other cooperative platforms. The goal is to give political power to people who are able to propose policies, debate options, draft and scrutinize the proposal, vote, and make decisions.104

ConsenSys105 is a venture production studio building decentralized applications and various developer and end-user tools for blockchain ecosystems, focusing primarily on Ethereum.

Designing for convenient solidarity

All too often, technologists belittle the importance of front-end design. This is unfortunate because on the level of UX design, free software platforms have to rival the habit-creating seductiveness of the approaching Uber taxi on the screen of your phone. Or, at least, designers need to decide how much of a consumer mentality they want to integrate. Cameron Tonkinwise, Director of Design Studies at Carnegie Mellon University, cautions that:

A lot of these platforms enable interactions between people. Political decisions are being made at the level of software design, at the level of interface design, and the sorts of people who are making these decisions are designers and they are very ill-equipped about the political ramifications of what they are doing. Politics is now happening at the level of micro interactions and it’s very important that designers are understanding the sociology and anthropology of what they are doing.106

What can design for platform co-ops do differently? Cameron Tonkinwise calls for a design that facilitates “convenient solidarities,” a design that makes small acts of solidarity easier and more seamless.107 He proposes, for example, that design should literally provoke solidarity with a worker. If I can see that worker A has three children,
is more expensive than worker B, and that she is about to be terminated by Taskrabbit or Uber, I am faced with the decision whether or not I want to support her. While making solidarity a bit more convenient, such an approach would also bring about obvious privacy issues.

Good design for platform cooperatives begins with the development of a relationship between the designers and their clients. UX design for platform co-ops presents a great opportunity. The interface of these platforms could instruct users about the fair labor standards of the co-op and contrast it with the social protections that are lacking in the sharing economy. In other words, such platforms could visualize the unfairness of the established on-demand economy.

I'm also suggesting the use of Mozilla's badge technology to certify that the particular platform follows the principles that I outlined above. Not unlike the fair trade coffee that, for all its shortcomings, has captured a segment of the market, these badges could certify ethical labor practices behind the screen.

Scale

In order to build an economy that is socially fairer and ecologically sustainable, cooperatives have to move beyond the growth imperative. Cooperatives don't always have to scale up. Democratically controlled businesses such as worker cooperatives could target smaller, local niche markets without having to focus on scaling up. Such efforts could start in cities like Paris, Berlin, or Rio de Janeiro, and other municipalities that have banned Uber. If your priority is to take care of your workers, then scaling up is not an immediate imperative. In contrast to countless startups, the goal isn't to jump ship by way of acquisition, but to build lasting businesses over decades to come.

Learning and education

One of the reasons that Mondragon is so successful in Spain is that they have a cooperative university that directly feeds into their network of businesses. Various universities set up centers dedicated to the preparation of students for cooperative work: University of Wisconsin (1962), Kansas State (1984), UC Davis (1987), and North Dakota State (1994). Currently, The Labor Studies Program at the City University of New York is offering a graduate course on worker cooperatives. In Boston, MIT's Sasha Costanza-Chock teaches a project-based co-design course with worker-owned cooperatives.

Teaching cooperative design and values is one approach, another would be to think up and build a college that is build on cooperative principles, a Black Mountain College 2.0.

How could alternative learning institutions better prepare youth for cooperative working and living today? Again, the work of Janelle Orsi is quite essential here. In her co-authored book, The Sharing Solution, Orsi demonstrates in a practical, hands-on manner, the various ways in which sharing can become part of our everyday life: everything from sharing housing, household goods, space, tasks, childcare, transportation, and even work. The Sharing Solution, The Whole Earth Catalog of genuine sharing, lays out the practical ground rules that could orient college students to a more cooperative approach to life.

8) For All People

We must invent a new Web in the service of a viable macroeconomic model, rather than developing a completely ruinous economy of data. Right now, platform capitalism is getting defined top-down by decisions being made in Silicon Valley, executed by black box algorithms. What we need is a new story about sharing, aggregation, openness, and cooperation; one that we can believe in.

The cooperative movement needs to come to terms with twenty-first-century technologies. It will take some work to make the notion of online cooperatives as American as apple pie. It will also take discussions in various national and local contexts, from Peru, Germany, and Italy, to the UK, South Korea, and India.

The importance of platform cooperativism does not lie in “killing death star platforms.” It does not come from destroying dark overlords like Uber but from writing them over in people's minds, incorporating different ownership models, and then inserting them back into the mainstream. In the late 1960s and early 1970s, counterculturalists formed utopian communities; they left the cities for the mountains to force their idea of the future into existence by living it. Frequently, these experiments failed.

To successfully develop platform cooperatives, it does take more than practical wisdom and giddy enthusiasm. An anti-theory stance, a rejection of critical self-reflection, will – as we saw with American counterculture – become an impediment. We need to study the failures and successes of the past to identify the areas in which platform cooperatives are most likely to succeed. We need to spread an ideology of felt mutualism, communitarian ideals, and cooperation that
makes all of this possible. Platform cooperativism can invigorate a genuine sharing economy, the solidarity economy. It will not remedy the corrosive effects of capitalism but it can show that work can be dignifying rather than diminishing for the human experience.

Platform cooperativism is not, first of all, about the next device or “platform;” it is about envisioning a life that is not centered on the shareholder enterprise. Making change is not always about a dinner party, or about writing an essay, or convening a conference; it’s not so convenient: platform cooperativism is also about confrontation.

To strengthen and build out platform co-ops, it is essential for like-minded people to organize. Yochai Benkler encouraged this movement, “If you can imagine it, it can happen, if you do it in time and capture a market.”

We cannot waste any more time. Politicians and platform owners have been promising social protections, access, and privacy, but we need to make ownership a reality. It’s time to realize that they will never deliver. They can’t. But we must. Through our collective effort we can build political power for a social movement that will bring these ideas into existence.

Over the course of these chapters, I have tried my best to locate, explain, and elaborate narratives that may illuminate the landscape of digital work. If you have come this far, you will understand that this book refuses to accept a future of work that is characterized by deregulation and a lack of enforcement of legally guaranteed labor standards. I chose the title for this book carefully with a view toward an emerging movement of workers that is starting to take back the digital economy. In 2014, at the Digital Labor conference at The New School in New York City, Amazon Mechanical Turk workers started a discussion about worker-owned and -governed online platforms. In the same period, I noticed the launch of cooperative platforms in Germany and the United States. It was in this context that I framed the idea of platform cooperativism.

A year later, more than a thousand people attended the Platform Cooperativism: The Internet, Ownership, Democracy event. The platform cooperativism primer has since been translated into German, Italian, Dutch, Chinese, Spanish, and Portuguese. In 2016, together with Nathan Schneider, I edited a handbook on platform cooperativism in collaboration with OR Books, and now platform cooperativism events are in the works from Vancouver, Berlin, London, Bremen, Paris, Bangkok, Barcelona, New York, Austin, Boulder, Oakland, the San Francisco Bay Area to Adelaide. A foundation to support the ecosystem of online cooperatives is also under way.

Platform co-ops don’t want to copy the likes of Uber; the companies that came before us. Instead, they embrace a vision for decent digital work, democratic governance, creativity, and worker ownership. Silicon Valley loves a good disruption. Let’s give them one.