What would it be like if Facebook users owned and controlled Facebook, or if Uber drivers owned Uber? What would be different, and how do we get there? In the following short essays, five of us explore that question—imagining the prospects for mixing cooperative business models with the online platforms that many of us rely on daily.

A cooperative renaissance on the Internet is possible, and new tools make it more and more within reach. But it will mean changing the habits of financing and governance that have come to rule the tech industry. It also means changing how we, the users go about choosing what we use, and how.

—Nathan Schneider

Three Ways to Put Tech Platforms into the Commons
by Janelle Orsi

Do you suppose the founders named it "Airbnb" because they envisioned pulling billions ‘n’ billions of dollars out of thin air?

Ok, while I poke fun, I do confess that there is much to love about Airbnb, the online platform that enables travelers to book private rooms and homes in lieu of hotels. I like that Airbnb has turned countless people into casual home-based hoteliers. But, unlike conventional hotels, Airbnb wouldn’t have many assets to sell if liquidated.
That rumored $20 billion company valuation relies largely on the loyalty of users. Like I said, thin air.

Especially because I can think of at least three replacements for Airbnb that would inspire greater loyalty of the masses. In a moment, you will meet Co-bnb, Munibnb, and Allbnb. None of them exist, but they are potentially very real.

The notion of “the commons” lies at their core. So far, my favorite explanation of the word “commons” comes from writer David Bollier, and I paraphrase: A commons arises whenever a group of people decides to collectively manage a resource with a special regard for equitable access and long-term stewardship. Much preferred to “a few guys manage a resource with a special regard for making billions of dollars.”

Today, we rely on software platforms for access to work, to information, and even to each other. Tech platforms are where we metaphorically graze our sheep and gather as communities, but usually while paying “rent” to large companies. Oxfam reported that the world’s 85 richest people have as much wealth as the poorest half of the world[1]. We have a choice: Keep using platforms that widen the wealth gap, or build tech platforms as commons. So here are a few examples of the latter.

**Co-bnb**, as I’m calling it, could be an online marketplace owned and democratically controlled by the people who rent space to travelers. You can call it a “freelancer-owned cooperative,” a term possibly coined by Josh Danielson, founder of Loconomics.com. Loconomics just bought out its shareholders and became a cooperative corporation to be controlled by the freelancers who use the platform to offer services such as babysitting, home cleaning, and dog walking. The mission of Loconomics is to enhance the viability of freelance work, a task most reliably led by freelancers, themselves.

Soon, 40 percent of the US workforce will consist of freelancers[2], many of whom will cobble together income from multiple sources. We can’t allow companies like Airbnb, Uber, and TaskRabbit to take 5 percent to 20 percent of freelancer earnings. If those companies remain the gatekeepers of critical work opportunities, they’ll continually adjust search algorithms, fee structures, and terms of service to extract more out of workers. In “The Sharing Economy Just Got Real[3],” I outlined how companies like Airbnb could become or be replaced by cooperatives. Shared ownership and control are critical if we are to get real about the “sharing” part of the so-called “sharing economy[4].”

**Munibnb** came to mind when I realized that a home rental platform could be used to...
steward other resources that—to some extent—belong in the realm of a city-managed commons, such as housing supply, public infrastructure, and the wealth that travelers bring into cities. Imagine that 20 or more large cities collaborate to develop software (“Munibnb”) with all the functionality of Airbnb, and then mandate that all short-term rentals be arranged through the municipal platform. Cities are well positioned to hack this because they have regulatory power. Airbnb couldn’t compete, because use of Airbnb would be illegal (as it already commonly is under land-use laws that prohibit the operation of hotels in most residential areas).

Cities play a key role in managing housing supply. Regularly hosting short-term guests removes rooms and units from the housing market, intensifying scarcities and driving up market rents in cities like San Francisco. Through a Munibnb, a city could easily set and enforce a cap on rental nights; set fees that fluctuate with housing scarcities; and generally manage the short-term rental market to ensure equitable flow and supply of resources.

And importantly, fees normally collected by Airbnb could stay with hosts or go to the city. Why should we watch millions of traveler dollars leak from our cities into the hands of wealthy corporate shareholders, especially when a Munibnb offers another way?

Allbnb would be similar to Munibnb, but made popular by the fact that all city residents get annual dividends. Every Alaskan receives an annual dividend of around $1,000 to $2,000 from the Alaska Permanent Fund [5], which collects fees on mineral extraction. Mineral extraction isn’t as fuzzy a metaphor as grazing sheep, but there is something extractive when strangers roll into our neighborhoods, take up our street parking, and contribute to housing scarcities. “Allbnb” could be a municipally chartered trust with the purpose of fostering a vibrant city with a diverse housing supply. The distribution of dividends ensures more equitable sharing of traveler-sourced wealth, and it strategically aligns city residents behind the goal of protecting housing. When housing is scarce, Allbnb could exact a high fee on each rental, bringing higher dividends to residents and pressuring hosts to open their rooms to long-term tenants.

I estimate that Allbnb could bring between $10 and $30 per year to every San Franciscan. It sounds small, but we can begin to manage many resources using this model. We would each receive dividends from many sources, adding up to a kind of universal basic income. Peter Barnes, in his wonderful book, “With Liberty and Dividends for All [6],” proposes that we pay universal dividends on the use or pollution of key resources, like the atmosphere (speaking of pulling billions out of thin air). Allbnb could pilot that dividend model at a small scale.
People don’t usually think of cooperatives, cities, and trusts as big tech innovators. But if we allow for-profit companies to monopolize the field of innovation, then all innovation will be tilted toward the interests of for-profit shareholders. Let’s re-orient tech toward everyone.

Is Your Digital Boss Cheating You?
by Frank Pasquale

Imagine if you never had to deal with a human boss again. Work projects would flow to your inbox seamlessly. You could take them or leave them as you chose. Want a day off? Just don’t answer email. Freed from the 9 to 5 grind, you’d have a chance to work whenever you want.

Executives at new labor platforms say that future is now. They paint their drivers, hosts, and “taskers” as so much freer than ordinary workers to move to where their talents are best appreciated (on a day-by-day, or even hour-by-hour, basis). It’s Silicon Valley’s version of “right to work” laws.

Of course, someone still has to decide who gets prime assignments—or any projects at all. Those decisions, fueled in part by customer feedback, are mediated by computer code. But what happens when the software isn’t accessible to anyone other than top managers and the engineers who worked on it (who are bound by non-disclosure agreements never to reveal what they coded, or why)?

It’s a situation ripe for exploitation, if other experiences with “black box” algorithms online are any guide. Facebook is a critical intermediary between journalists and readers now, but it’s nearly impossible for the average reader (or even small media outlet) to keep up with all the changes the company makes to EdgeRank—the algorithm that decides what posts get top billing in your feed, and which get dumped into obscurity. Researcher Christian Sandvig has already documented plenty of examples of “corrupt personalization” in that setting—algorithmic choices that seem designed less to serve media or users, than to accelerate profits for Facebook shareholders. There are also few, if any, opportunities for those damaged by algorithmic shake-ups, or irresponsible data collection, to challenge online behemoths.

The same problems are emerging in “real space,” as algorithmic methods automate the distribution of opportunity in corporate platforms. For example, consider how easily mere petulance or spite—from either an Uber passenger or a manager in the firm—could doom a driver. The “Uber Driver Diaries” site has myriad stories of those perplexed by a sudden drop in their status. When a tenth of a point can be the key to making ends meet, the stakes of digital ratings are high. But many are afraid...
to even contest their status—complain too much, and you might end up branded a “whiner,” or worse.

These problems are old hat for those who have relied on Google to drive traffic to their sites. Metafilter recently complained that a Google algorithm change decimated the site’s traffic, leading to layoffs. The Georgia owner of 2bigfeet.com said that, when Google penalized his site, it was like the highway department taking out the roads to his store. Another online retailer, GourmetGiftBaskets.com, described filling out a “Google Confessional” in response to Mountain View’s suspicions that he was using search engine optimization inappropriately. Once absolved, his site climbed back up the rankings, and appears safe now—or at least until one of Google’s many conglomeratized branches decides to enter the gift basket space.

Real cars, rooms, and people seem a lot harder to manipulate than characters on a screen. But the interface—between hirer and tasker, or rider and driver—is the critical glue holding platform economies together. I have no idea how Uber matches me to a driver, nor does he know how I was matched to him. And if Uber wants to mess with either of us, there’s not much we can do at this point.

That should change. The Electronic Privacy Information Center has led a campaign for “algorithmic transparency,” to end secret profiling—whether of consumers or workers. Everyone participating in the new platform economy deserves a chance to understand exactly how our profiles are being created. And we deserve the right to inspect, annotate, and correct mistakes, or even unfair marks against us. That’s a cornerstone of technological due process. And it would be far more easily implemented in platform co-ops, subject to governance by stakeholders, than by the current crop of corporate platforms. As long as they are beholden to Wall Street’s speculative demands for rapid scaling, they simply can’t afford to be fair or open.

Skeptics may gripe that workers and consumers didn’t have such rights in meatspace, so why grant them in the new, weightless economy? Several responses should be obvious. First, the concentration of power in massive firms like Uber or AirBnB is something new in fields like car services and room rental. Their leverage demands a considered response. Second, we’re constantly hearing about how Internet disintermediation is reducing costs. So why not invest a few of those gains in making sure basic principles of anti-discrimination, due process, and reputational integrity survive our transition to a more digital economy? Where is it written that every extra penny must be routed to some venture capitalist’s trust in the Cayman Islands?

The platform economy as it now stands isn’t an “American Dream” of fairly compensated labor—it’s a lottery. It’s bizarre to see someone become a billionaire on the basis of a few weeks of coding and lucking into network effects at the right place
and time. But the demands of speculative capital shouldn’t be the guiding principle behind the platform economy. Older values, of fair play and transparency, need to be translated into new environments. And we can only hold accountable systems we can understand.>

**Power to the People (Not the Platform)**

*by Nathan Schneider*

It took me a while, at first, to understand. I was sharing an Airbnb apartment in Paris a few months ago with the Catalan activist (and fugitive) Enric Duran, trying to understand the details of his latest hacktivist scheme, FairCoop. The idea is to build a new global financial system for cooperatives with the help of FairCoin, a Bitcoin-like cryptocurrency. I’d spent a lot of time with cryptocurrency hackers before, but something was different about how he described his project. It was weird. He didn’t seem to be in love with his algorithms.

What should have been obvious to me eventually became clear: The interlocking organizations that would constitute FairCoop were more important to him than FairCoin’s code, which was merely an interesting component. Someday, FairCoop may no longer even need it. This represents an idol-bashing change of mindset for tech culture, away from gizmo-obsessed *solutionism* and toward genuine, *commons-based peer production*.

Normally, here’s what you run into with these new, decentralized digital-money platforms: A developer copies the open-source code from Bitcoin, then makes some tweaks to the specifications—stuff like how new virtual coins are created, how they circulate, and what additional features come built-in. There are *lots of examples*. These developers are generally very proud of their currency’s specs, and they tell reporters like me that if lots of people adopt it, the world will be better. Building a community is a means to this end—to building up the platform. Then, as with Bitcoin, the community falls victim to the platform’s troubles.

Such platform-centrism is a familiar story in the online economy. A company’s investors typically own the platform, and they want to extract as much value from what ends up on their servers as possible. Facebook’s goal is to get us to pour ever more personal information into its platform; whatever that does or doesn’t do for our relationships (or our *revolutions*) is merely a byproduct to creating value for investors.

FairCoop is one among a *whole slew of new projects* attempting to create a more democratic Internet, one that serves as a global commons. These projects include
user-owned cooperatives, “open value” companies structured like a wiki, and forms of community-based financing. Part of what distinguishes them from mainstream tech culture is the determination to put real control and ownership in the hands of the users. When you do that, the platform becomes what it always should have been: a tool for those who use it, not a means of exploiting them.

“The most important features of this new system are not imprinted as algorithms in the code,” FairCoop’s developers have written [19]. “Instead they will come from the human input and democratic participation of all members.”

The challenge of platform cooperativism is mostly not a technical one. Sharing-economy platforms like Uber rely on relatively simple apps. Replicating these apps can be, and has been [20], done. But what makes it especially hard for local taxi cooperatives to compete with Uber is the lack of access to massive, VC-style investment, which goes toward feeding users into the platform with advertising, placement deals, lobbying, and subsidies. The goal all this serves, again, is feeding the platform; Uber can’t wait to replace its drivers altogether with self-driving cars [21].

A platform like Uber also depends on a context—one that includes governments willing to invest in infrastructure like GPS, and investors willing to pile on money in exchange for ownership and control, and officials willing to go easy with enforcement. As much as both capitalists and cooperators love to think they operate as autonomous agents, conditions like these have a big say in which kinds of enterprises succeed and which kinds fail.

Consider Kenya, for instance, a country where cooperatives—mostly consisting of agricultural producers and credit unions—account for nearly half of the GDP. The modern cooperative movement there began as a tool for British colonialism, and continued after independence with state-organized cooperativization. Until recently, there was an entire ministry in the central government devoted solely to regulating and promoting the cooperative sector. The cooperatives themselves, meanwhile, have an array of organizations through which they coordinate their interactions with the state.

When I visited the Co-operative University College of Kenya, a whole campus for training managers of cooperatives, the school’s former principal Esther Gicheru told me, “We have a very vibrant cooperative sector here because it is surrounded by all these institutions, which support and reinforce each other.”

What would a tech industry more conducive to cooperativism look like? Tech-savvy credit unions could back worthwhile cooperative platforms. Cities might allow sharing-economy services only through worker-owned enterprises [22] (much as Kenya
mandated that its shared vans cooperativize (23)). Perhaps inequality-generating mechanisms like venture capital would not be allowed at all, forcing investors to put their capital into enterprises where the participants are more fully in control. It’s worth remembering, too, that cooperatives themselves are not a magic fix for wealth inequality; Kenya remains a vastly unequal society. Unless cooperatives are capturing the main flows of capital from elites, they may end up doing little more than wading in the tributaries.

Online platforms can change society, but only in ways that the existing society allows. Platform cooperativism doesn’t require just new platforms; it will mean building more cooperative-oriented infrastructure. We need not just websites but also cooperative finance, legal structures, and business culture. The platforms themselves are the easy part.

The Digital Town Square

by Pia Mancini

At the end of 2014, an unlikely group—public hospital nurses—was able to force the government of Buenos Aires to pass a bill that has been dormant for many years, resulting in better conditions for them. And they did it without a strike. Instead of walking off the job or taking to the streets, they organised on a new digital platform that the city was piloting, DemocracyOS.

DemocracyOS is an open-source voting and debating platform, with which citizens can learn about proposals, debate them and declare how they would like their elected officials to vote. The nurses’ bill, sponsored by a small party with only one seat in the legislature, got 10 times more votes and comments than a version presented by the majority party. Through an open, transparent public debate on a collaborative decision-making platform, a constituency on the fringes of society put their demands right in the middle of the congressional floor.

The story shows how adding some old-fashioned democracy can give new life to both our governments and the online platforms we use every day.

I am part of the group of Argentinian activists and developers who began creating DemocracyOS in 2012. Since January of last year, it has been successfully used by a local NGO in Tunisia to debate the constitution and by activist groups in Ukraine, Spain, Australia, Canada, France, Chile, India, Puerto Rico and Perú. It has also been adopted by Yes in My Back Yard (YIMBY), a grassrooots organization in San Francisco advocating for issues such as affordable housing. Amy Weiss of YIMBY is organising to run for mayor of the city later this year, and thanks to platforms like
DemocracyOS and Nation Builder, she is waging an Internet-driven fight against machine politics.

While the most visible application of a collaborative platform like DemocracyOS is government, other organizations will benefit greatly from them. One example is the growing number of distributed workforces—Uber and Lyft drivers are a prime example—born of online platforms and lacking the protection of traditional workforces. These distributed workforces need ways of making decisions as a group that are equally distributed. In a more traditional way, companies facing an extremely dynamic workforce of people that change jobs every couple of years, can use platforms like DemocracyOS to build a culture of participation and engagement, empowering employees to be stakeholders of a common project.

A lot has been said about the impact of the digital world on science, technology and the entertainment industry. However, little attention has been paid to innovation—or lack thereof—in the political system. The Internet is already bringing about a sea change in how citizens expect to be represented. Governments, however, have failed to keep up. The world changes by the second, yet our governments are still receiving citizen input only every two, four or five years, depending on the system. We are 21st-century citizens trying our best to interact with institutions from the 19th century.

One way of innovating in the political system is to rethink and rewire it, using tools like DemocracyOS in combination with a new kind of cooperative political party. Such a party plays by the existing rules—running for elections, and so forth—but it radically changes the way in which it makes decisions in government by taking advantage of new tools for collaboration with citizens.

The same group that developed DemocracyOS in Argentina created Partido de la Red, the Net Party, to hack the political system, and to rethink it. Partido de la Red ran for election in 2013 in Buenos Aires, having made a public commitment to vote in Congress in line with the decisions of citizens that have engaged with DemocracyOS. The party has yet to win a seat in Congress, but by gaining 1.2 percent of the vote in 2013, it won a seat at the table, making possible the pilot that the nurses used to surface and achieve their demands.

Our project is a work in progress. Democracy cannot be reduced to a system for aggregating preferences, one on top of each other. All citizens are not equally equipped to vote on all issues, nor do they have time to do so. But whether in government bodies or corporate boards, there has to be an alternative to abdicating our right to decide to a set of professional citizens.
DemocracyOS takes advantage of an approach called liquid democracy, a highly dynamic institutional arrangement. If someone does not feel comfortable voting on a certain issue, they can delegate their vote to another citizen for that particular topic. The goal is to produce a dynamic and emerging social leadership, in which representation is not based on territory but on trust and knowledge. For example, a person could choose to assign their voting power on health-care issues to a well-known medical practitioner at a public hospital, while retaining votes on economic matters and delegating environmental decisions to a trusted organization.

Part of the effect of this approach is to build trust in society.

Trust in our existing institutions is continually eroding, and any institutional innovations need to aim to rebuild trust in governments and businesses. Distributed organisations and protocols for decision-making, such as DemocracyOS and the Partido de la Red, face the challenge of generating trust in a distributed way, without depending on a centralized authority. They do so using some of the same horizontal, participatory mechanisms that we’ve seen in recent social movements around the world.

New peer-to-peer technologies, such as the distributed “blockchain” that underlies Bitcoin, make it possible to do decision-making without the need for a central authority to ratify them. Decisions made over a blockchain-based system would be mutually checked and confirmed by the users of the system themselves. Not only can this approach lend more public trust to the existing institutions that use it, it can give rise to new kinds of purely virtual institutions altogether.

The DemocracyOS team is now in the process of incorporating blockchain technology into our platform.

As the Internet evolves as a medium for human organizations of all sorts, online decision-making platforms can help restore people’s trust in the institutions that affect their lives. We can’t wait any longer to bring our 19th-century institutions into the 21st century.

A Platform for Revolution

by Trebor Scholz

In the past few months alone, you’ve probably read or listened to at least one story about the unethical labor practices of Amazon Mechanical Turk, TaskRabbit, or CrowdFlower, to name a few crowdsourcing labor platforms. To get gigs, workers must go through the bottleneck of the platforms, where thousands of invisible, novice workers are paid between $2 and $3 an hour, workplace surveillance is rampant, and
wage theft is a feature, not a bug. I do find these tendencies troublesome. But I also know they are not the only possible future of work. Silicon Valley loves a good “disruption,” so let’s give them one: Platform cooperativism.

Platform cooperativism is about experimentation with good digital work and new forms of solidarity. It is about innovative unions, worker associations, and cooperatives building their own labor platforms and design interventions, rooted not in greed but the needs of workers. It is about labor history’s cardinal lesson, which is that in confrontation with owners, individual solutions don’t work. The future of labor need not be defined solely by venture-capital funded, Silicon Valley ringleaders but by worker cooperatives and inventive unions.

Rather than leaving the economy exclusively to the productivity imperatives of owners like Amazon or Microsoft, platform coops could set an example of good digital labor. They do, however, have to act fast. Social movements, regulators, and cooperatives move slowly, while tech-entrepreneurs are rapidly creating realities on the ground. The future is seeded now; the network effect is chiseling prospective global monopolies like Uber into stone and that is why workers, organizers, designers and developers have to get their act together.

Workers need to be clear about their principles and values. The principles of platform cooperativism must include job security, good pay, transparency, a pleasant working atmosphere (acknowledgement and appreciation), co-determined work, a protective legal framework, weekly work time of 30 to 40 hours (depending on the life stage of the worker), and protection against arbitrary mandates. Platform cooperativism rejects excessive workplace surveillance, along the lines of Upwork’s worker diaries or customer reviews on Uber and TaskRabbit.

In addition, workers need to have a right to log off. Platform cooperatives need to leave time for relaxation, lifelong learning, and voluntary political work. Good digital work has clear boundaries. While such lofty goals are difficult to achieve, it is important to articulate them. Our inability to imagine a different life would be capital’s ultimate triumph.

Demanding higher wages is one thing. But structural change, the creation of alternative models of social organization, is more fundamental. Worker-taken factories from Argentina to Ecuador are not the prime model here. This is not about creating a branch of UberX with gracious permission from Travis Kalanick [24]. Instead, let’s rip out the algorithmic heart of the “sharing economy,” clone it, and bring it back to life with a cooperative ownership model or a unionized labor pool.

Platforms that allow workers to exchange their labor without the manipulation of a
corporate middleman are possible. Democratically controlled businesses, such as worker-owned cooperatives, could target smaller, local niche markets without having to focus on scaling up. A freelancer-owned cooperative like the San Francisco-based Loconomics [23] could even benefit from the regulatory templates established by the “collaborative sharing economy.”

Let’s also make sure that the responsibility of family-friendly work is not solely transferred to the worker. Uber, TaskRabbit, and Handy are creating conditions that are not compatible with the family (or most other arrangements of domestic life) as the core unit of society. Platform cooperativism is about family-conscious shaping of work and life.

As for the user’s experience, alternative, open-source platforms would have to rival the habit-creating seductiveness of Uber. Cute penguins are no longer sufficient. Every Uber has an Unter, and the interface of platform-coop apps could instruct users about fair labor standards and the failing social protections in the “sharing economy.” Such platforms could give a face to the cloud workers who are—for all practical purposes—anonymous, isolated, and tucked away between algorithms.

Technologically, building coop apps is by no means a walk in the park. In the transportation sector, for example, we are talking about at least four apps. There is one app for the passenger and one for the driver, on both Android and iPhone; and both would have to be updated constantly and remain usable as operating systems and phones change. Scott Rosenberg [26] taught us that many large software projects have failed or run dramatically over budget. Open-source developers could publish core protocols and APIs and then allow various independent, open-source projects to build their own different backend and front-end components.

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Even now, there are already various examples of platform cooperativism. The Freelancers Union, for example, could place itself at the center of one such virtual hiring hall. There are also emerging forms of worker solidarity with forums like /r/mturk/ [28] and design interventions such as Turkopticon [29]. In Israel, La’Zooz [30] is a distributed peer-to-peer ride rental network, and Fairmondo [31] is a German cooperatively operated version of eBay. Projects in this area also include Blue Ridge Labs [32], an incubator for apps for the bottom 20 percent and FairCareLabs, which innovates for the Domestic Worker Movement [33]. The Transunion Car Service [34] in New Jersey and the California App-Based Drivers Association [35] (CADA) are linking platform workers to unions.

It will not come as a surprise when I say that platform cooperativism is faced with enormous challenges, ranging from the self-organization and management of workers,
to technology, UX design, education, long-term funding, scaling, wage scales, competition with multinational corporate giants, and public awareness. To make good digital labor a reality, it is essential for like-minded people to organize, form kernels of self-organization, and fight for basic democratic rights for cloud workers. But the future of work is not solely determined by slide shows in Silicon Valley board rooms; it is about a democratic society that does not tolerate exploitation and encourages cooperation.

Read Next: Can monasteries be a model for reclaiming tech culture? [36]

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