

Socialist Co-Ops Against Silicon Valley Empires

BY

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Co-ops are often dismissed as attempts to create islands of socialism. But building democratically controlled tech infrastructure can be part of a wider movement for working-class power.

Last June, the International Criminal Court experienced operational disruptions after Microsoft blocked the official email account of its chief prosecutor following US sanctions.

The action revealed the return of an old pattern. Systems once imagined as open, neutral channels of communication harden into privately controlled switches, capable of halting entire institutions for a single policy change or alleged misstep. But this was not an outlier.

Across the globe, millions of workers and entire branches of government now find their most basic functions throttled by choke points they neither control nor understand. The real consequence of AI-driven consolidation isn't just automation or efficiency; it is dependency. Democratic institutions are increasingly at the mercy of technical systems they do not own and cannot audit.

Meanwhile, much of the Left has retreated into academic papers and panels, even as unions, co-ops, and local political collectives capable of acting continue to thin out. The familiar call to “reclaim the state” repeats earlier cycles in which exhausted public agencies — defunded and increasingly dependent on private contractors — were expected to deliver transformations they no longer have the capacity to implement.

Even if we could find wise progressive leaders able to wrest formal authority back from today's Trumps, they would still confront private digital empires that control the playing field itself. Today roughly two-thirds of global cloud infrastructure is owned by just three US corporations, giving them a scale and structural power that democratic institutions cannot realistically match.

At the same time, cooperativism is trapped in a myopic politics, clinging to the 2025 UN Year of Cooperatives slogan "Cooperatives Build a Better World" as if co-ops alone prefigured such a future, while sidestepping wider coalitions. That omission matters. Governments around the world bend digital policy to a United States that is itself captive to the firms building and training the dominant AI systems. Yet we continue to write as if regulation could be guided by a policymaker with the will and capacity for radical reform. Such figures are today vanishing across the globe.

What is needed is a counterpower capable of operating at the scale where tech firms now dominate: capital, infrastructure, and political access. Those capacities cannot be conjured up through elections alone. Nvidia's market valuation now rivals that of major national economies, while Amazon and Meta each spend more on federal lobbying than most labor federations spend on organizing, ensuring regulatory frameworks are shaped long before legislators ever vote.

The popular turn to "digital sovereignty" identifies the right problem but mislocates the solution, treating the state as something that can simply be recaptured rather than as an arena already structured by concentrated private power. Reclaiming public authority thus depends on strengthening the democratic parts of the economy itself — rebuilding institutions capable of pooling capital, coordinating at scale, and exerting leverage. Cooperatives, if politicized and federated, remain one of the few tools available for doing that work.

Rebuilding Organization

Counterpower, however, is never built by isolated actors or intellectual arguments alone. If the Left is to matter again, intellectual work must be rejoined to organization and material struggle. In short: the task is not to mourn the absence of a political subject but to rebuild one.

W. E. B. Du Bois understood this after the 1929 crisis, when he turned to cooperatives as tools of survival and black economic rights. He wrote:

What we need today is not fighting but that basis of economic security which will permit us to fight. What we need is not a vociferous complaint but such victory over

threatened starvation will give us stamina to back our future complaints with power.

The lesson endures. With over one billion member-owners worldwide and trillions of dollars in annual turnover, cooperatives show that democratic ownership already exists at systemic scale and can function as counterpower to concentrated digital control.

We should not minimize the challenges. Cooperatives face co-optation, internal hierarchies, business pressures, rightward political drift, and long histories of reformism. The alternatives are thin. Without convergence between cooperatives and broader movements, economic power remains concentrated in the dominant firms.

We have no intention of idealizing co-ops or pretending they are inherently revolutionary. Many have drifted into the very systems they once sought to resist. However, as we argued in *Cooperative AI?*, co-ops remain one of the few practical instruments available for a broader convergence of unions, social movements, and governments to rebuild power in AI-centered economic systems. But without a political mandate, co-ops cannot mount a meaningful challenge to Big Tech's control over the essential infrastructures of the AI age: energy, data, computation, and labor. Reclaiming their radical roots is now essential, since without an explicit socialist politics, cooperatives are structurally driven to reproduce the system they were meant to challenge.

A Socialist Mandate

Cooperatives are not outside politics — they never have been — and claims to be apolitical reflect not a cooperative principle but a political choice, since there is no such thing as being apolitical: for James Baldwin, refusal is a privilege; for Hannah Arendt, withdrawal abandons responsibility; and for Antonio Gramsci, indifference consolidates hegemony.

Cooperatives should be collective expressions of the people within them, where their values are rendered explicit rather than concealed. Some of the world's largest profit-centric cooperatives wield considerable political influence. In Latin America, India, Kenya, Japan, and Europe, cooperatives function as political machines, clientelist instruments, or even as extensions of conservative ruling blocs. The largest cooperative federations in India are examples of that. Many cooperatives have hollowed out their democratic structures or adopted a neoliberal politics that blunts their purpose. But the question is not only whether co-ops are political but which politics they advance.

Big Tech's AI systems are intensifying crises from climate breakdown to racialized and class exploitation, and neoliberal politics has failed to counter this concentration of power. Only those cooperatives that articulate an explicit radical political mandate — aligned with feminist, ecological, labor, and anti-racist movements — can live up to these challenges, reclaiming a lineage that runs from the Rochdale Pioneers of the mid-nineteenth century to Du Bois's campaigns for economic democracy, where cooperatives operated as socialist levers for building working-class power.

Recovering that mandate will not happen spontaneously; it will require sustained political education and cooperatives becoming authentic expressions of their members' lived interests and values. It must be built through two interconnected movements: the radicalization of the cooperative movement itself and the strategic use of cooperatives by unions and social movements as part of their broader fight.

The convergence of unions, social movements, and cooperatives can mutually radicalize each other, enabling cooperatives to become instruments of social justice while giving movements and unions the economic leverage to advance their struggles.

Social movements and unions can use cooperatives to build the economic power needed to advance their struggles, distributing benefits in the present while prefiguring socialist enterprises. In this sense, cooperatives can function as what Gramsci saw in the factory councils of the 1920s: worker-owned and worker-governed forms of a socialist economic system. Unions can collaborate with cooperatives to strengthen bargaining power, as the Knights of Labor once did by launching worker-owned enterprises to fund strikes, while movement actors can build cooperatives that sustain their organizing work.

When Cooperatives Act With Movements

Workers are already showing what this convergence can look like. After more than four hundred workers were laid off at the GKN auto parts factory near Florence in 2021, the local union launched a prolonged occupation that evolved into a cooperative reindustrialization project. The result, GKN for Future, is backed by climate activists, public institutions, and cooperative investors. Alongside worker buyouts in Argentina, and the growth of platform cooperatives, the case shows that cooperatives tend to emerge through struggle and gain traction when unions, social movements, and the public sector act together, and remain fragile when those alliances weaken.

This model of convergence extends to the AI arena as well. Cooperatives already function as proofs of concept, demonstrating that alternative technological paths are possible by democratizing data

governance and challenging emerging AI oligopolies. But these efforts will remain marginal unless cooperatives adopt a clear political mandate and link their work to broader movements. Only then can interventions in AI scale beyond isolated experiments and begin to build digital sovereignty from the bottom up.

These alliances do not merely extend co-ops' reach; they allow cooperatives to organize constituencies and make demands from below. We see this clearly with the Drivers Cooperative in New York, which introduced the Green Transition Act on behalf of 80,000 drivers. A law that, if approved, would support drivers in purchasing electric and wheelchair-accessible vehicles and help them transition from rideshare driving into green-industry jobs — something no labor union or advocacy organization managed to achieve in isolation.

Recent debates in this same outlet increasingly gesture toward cooperatives as tools for socialism, arguing, as Daniel Wortel-London puts it, that “cooperatives can and should complement the Left’s other strategic efforts.” Yet when cooperatives appear in these debates, they are often treated as minor supplements to state strategy or as warnings of drift and capture. Missing is the key point that cooperatives must work in concert with social movements. Their survival and relevance, including in the struggle over AI, depends on explicit political commitment and integration with unions and movements.

The Price of a Socialist Mandate

Espousing a left-wing politics within cooperativism would profoundly reshape both the public face of the movement and the internal organization of work and production across many cooperatives. Convergence with class-based, climate, gender, and racial justice movements would not merely represent a symbolic political alignment but would require the abandonment of a range of established practices.

At the macro level, this would entail a far more explicit and timely political positioning by the representative bodies of the cooperative movement. It would encourage stricter condemnation of false or exploitative cooperatives, while also helping to expose and reverse largely invisible yet widespread conditions within the sector, such as the existence of a substantial hired workforce that lacks political power and is, in some cases, directly exploited by cooperative member-owners themselves. One example is confronting its frequent reluctance to clearly and effectively condemn major injustices, such as the genocide of Palestinians.

At the organizational level, such convergence could translate into stronger and more systematic commitments to climate justice, as well as to the inclusion and empowerment of marginalized groups within cooperatives. The early bylaws of the Drivers Cooperative offer a concrete illustration of what such convergence might pragmatically entail. These include the formal promotion of the representativeness of diverse migrant workers and women's participation within a highly male-dominated workforce; the support for a decent minimum hourly wage; and the concrete support of global justice movements.

On the other hand, we should also acknowledge the costs and potential side effects that such a strategy may entail. Embracing a socialist outlook would carry real consequences for the broader cooperative movement as well as for social movements and unions. From Brazil to Italy to the United States, large segments of the present-day cooperative sector are not aligned with the Left and often reinforce political forces it opposes. A turn toward explicit socialist politics would fracture parts of the movement, expose the fiction of cooperatives as "nonpolitical," and alienate actors invested in that neutrality. In some contexts, existing power relations would make such a shift costly or untenable.

But pragmatism must not harden into paralysis. Where a socialist horizon is viable, it should be pursued even at the cost of losing parts of the cooperative movement, since cooperatives are tools, not ends in themselves. At the same time, while unions and social movements may reasonably view cooperatives as resource-intensive or politically compromised, they cannot ignore the need for durable economic foundations, as struggles fail when material support runs out. Alliances should be pursued strategically, not romantically, recognizing that in some contexts cooperatives remain reformist or conservative and may function less as partners than as political obstacles.

A convergence between cooperativism and social movements could deliberately identify sectors in which co-ops can serve as effective tools for advancing workers' conditions and the broader struggle for economic democracy, while recognizing that in other contexts competitive pressures may be too overwhelming, making alternative forms of workforce organization more effective.

What is at stake is not symbolic alignment but practical orientation. Clear outward political positioning shapes who cooperatives work with, how they allocate resources, and what they are willing to risk. It opens durable alliances with unions and social movements, situates cooperative practice within broader political struggles, and clarifies adversaries — state actors, funders, or market partners — whose interests they may no longer accommodate. Political positioning, in this sense, reduces strategic ambiguity in moments of crisis, prevents quiet capture by hostile forces, and directly affects work processes, governance priorities, and production choices.

This is often obscured by appeals to Rochdale-style "neutrality." The Rochdale Pioneers did advocate political neutrality, but in a narrow and strategic sense that is frequently misread. Many were active Chartists, shaped by utopian socialist ideas and committed to working-class democracy.

Neutrality referred not to their beliefs but to the cooperative's internal operation: it would not align with a political party or religious faction. This separation shielded a fragile institution from division and repression. Rochdale was not depoliticized; it deliberately distinguished institution-building from partisan conflict while remaining embedded in radical working-class politics.

For contemporary cooperatives, outward political positioning offers concrete gains. It clarifies priorities beyond survival, legitimizes redistributive practices markets would otherwise punish, enables learning across movements, and anchors cooperatives inside living social struggles. In doing so, it positions them as political actors rather than bystanders and helps ensure they remain means for social transformation, not ends in themselves.

Social movements and unions may build alternative cooperative federations or, where possible, engage institutional cooperatives and push them in a left-wing direction. The relationship is always political and uneven, as the GKN case shows, carrying real risks. Yet when it works, such convergence anchors struggle in material institutions that strengthen movements' capacity to endure and win. Despite these risks, the evidence from GKN for Future, Argentinian worker buyouts, platform cooperatives, and the broader cooperative tradition shows that movements advance most when different forms of political and workplace power act together.

Shaping Power

If the Left wants to stop narrating defeat and start shaping power, it must abandon the fantasy that elections alone can confront firms that control energy, data, computation, and labor at planetary scale. Without rebuilding economic power, politics remains symbolic.

Beyond mere nostalgia for the past, reclaiming the socialist roots of cooperativism is thus a strategic necessity. Cooperatives must be reoriented as instruments of class struggle, explicitly linked to unions, social movements, and public institutions. This will involve conflict, fragmentation, and loss. There is no neutral path forward.

The choice is stark: rebuild democratic economic power from below or concede the terrain of infrastructure and technology to unaccountable private empires. Without integration into broader movements, cooperatives remain marginal. With it, they can become durable nodes of counterpower.

Power always has to be built rather than just called for. The question is whether the Left is prepared to do that work again.

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