

COOPERATIVE AI?

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Amidst a global landscape marked by escalating crises, artificial intelligence has emerged not as a neutral tool but as a force that sharpens capitalism's contradictions—amplifying labor while displacing it, automating what once gave work meaning. As value concentrates at the top, one might ask: could these same systems, reimagined, become tools of solidarity and collective power?

At the geopolitical level, AI accelerates militarization—streamlining violence through autonomous drones and algorithmic targeting in places like Gaza and Ukraine¹—while simultaneously corroding the public sphere with machine-generated misinformation that drowns democratic discourse in synthetic noise².

AI exacts a heavy environmental and human toll; training a single large language model emits more carbon than five American cars over their lifetimes, while generative AI, in particular, fuels emissions amid escalating climate crises³. Behind its sleek interface lies a hyper-exploited workforce—especially in the Global South—tasked with data labor like content moderation and annotation⁴. Simultaneously, AI-powered border control, predictive policing, and racialized surveillance deepen inequality, reinforcing the systemic violence of global capitalism⁵.

While a growing body of scholarship calls for the democratization of AI through participatory design and bias mitigation, it often sidesteps the deeper question of who controls its underlying infrastructure, as demands for transparency and inclusivity rarely confront the root issue: ownership. Without structural shifts, such demands land in boardrooms not as imperatives but as polite suggestions—easily dismissed amid a dominant discourse that fixates on harm reduction and regulatory tweaks, all while sidestepping the deeper reckoning with the ownership of AI's extractive and monopolistic architectures.

As Evgeny Morozov argues in “Can AI Break Out of Panglossian Neoliberalism?”, addressing AI's dangers requires an alternative political economy—one that refuses to treat AI as merely an object of ethics or transparency. Our contribution is to go further: we approach this question not through a cooperative movement imagined in theory, but through our deep engagement with cooperatives in practice, across contexts that differ sharply from country to country.

Signs of this possibility already exist in scattered experiments: platform cooperatives, community-run data initiatives, and small-scale AI projects that challenge the logic of enclosure. These efforts are modest, but they open space for reimagining how technological agency might be reclaimed.

As Du Bois observed in the wake of the 1929 financial crash⁶, cooperatives are not merely nostalgic holdovers from a pre-industrial past but insurgent formations capable of both shielding those most affected by structural violence and contesting capital's technological hegemony. Today, the stakes of that understanding are even higher. The struggle over AI must move beyond ethical guidelines and fairness principles to a fundamental reckoning with its ownership and governance. How can social movements and cooperatives develop a cooperative AI—not one that merely softens capitalism's excesses, but one that actively subverts its logic? The most plausible path may not lie in total autonomy, but in hybrid forms of ownership—where public institutions, cooperatives, and grassroots movements share governance, creating a counterweight to corporate monopolies while navigating the tensions such alliances inevitably bring.

Between Radical Potential and Capitalist Constraint

The contemporary left's greatest weakness lies in its attachment to gradualist strategies while workers face mounting instability, unshielded as capital continuously reshapes daily life to serve its own ends. Too often, it privileges theoretical orthodoxy and identity discourses over building durable alliances with concrete movements. In doing so, it has failed both to resist and reimagine the gig economy, as organized labor erodes—becoming rhetorically radical but strategically unmoored, drifting further from the material forces now redrawing the contours of economic and political life.

Historically, the left has not just imagined alternatives but built them—fragile, fleeting efforts like the Knights of Labor's cooperatives and the Shakers' agrarian communities that nonetheless challenged capitalist rule. Today, worker cooperatives are once again invoked as part of the left's economic strategy—particularly in response to artificial intelligence (AI), where concerns about monopolistic control, AI-driven job losses, and large-scale data extraction have fueled interest in democratic alternatives. Cooperatives are largely absent from the AI conversation—not due to irrelevance, but because the sector's immense resource demands effectively bar their participation. Yet they offer governance models rooted in data stewardship and workplace democracy, and remain one of the few organized forces capable of challenging corporate dominance—if only they weren't excluded by design. This isn't techno-solutionism, but a push to make technology answer to democracy, not just the market. Cooperatives can bridge critical AI analysis and civil society, turning radical critique into democratic, worker-led alternatives grounded in ethics and solidarity.

If cooperatives—an economic model with nearly two centuries of history and close to a billion participants worldwide—are to be more than a nostalgic retreat from

market imperatives, they must be assessed critically. History is littered with cooperative experiments that began as challenges to capitalism but ended up assimilating into its logic or fading into irrelevance. Mondragon, the world's most well-known cooperative network, exemplifies this tension: it has grown into a multinational enterprise, yet most of its workforce remains outside the cooperative structure, and its subsidiaries often mirror conventional capitalist firms. This trajectory—long held up as proof of “economic democracy” within capitalism—reveals how growth can erode participatory governance, a reality underscored by critics like Sharryn Kasmir, who point to concealed hierarchies and market-driven constraints behind Mondragon's egalitarian façade⁷. As one worker put it, “when entering Mondragon from the bottom, you barely have any power at all.”⁸ Yet Mondragon also remains a complex case: it has supported recuperated factories in Argentina⁹, engaged with platform cooperativism, reinvested profits into cooperative development rather than shareholder dividends, and strengthened regional autonomy through cultural and linguistic revival—illustrating both the possibilities of economic democracy and the compromises required to sustain it within a capitalist framework.

This tension is not unique. Cooperative networks often struggle to scale without adopting the structures of capitalist firms, and their dependence on self-financing creates steep barriers to entry—frequently excluding the very workers they seek to support. Yet even with these limitations, cooperatives tend to offer more humane alternatives to corporate models, especially when value is measured not solely by efficiency or price, but by care, reciprocity, and the strength of community ties. Moreover, cooperatives—despite their progressive ideals—are not exempt from reproducing social inequalities, particularly when broader structural hierarchies around race, gender, and class remain unaddressed. A 2022 study of worker cooperatives in the United States¹⁰ shows that white men disproportionately control cooperative capital and leadership, raising the question: Do cooperatives genuinely upend entrenched power structures, or do they sometimes replicate familiar hierarchies—albeit in more participatory forms?

Yet dismissing cooperatives outright would be shortsighted. Often shaped by the burdens of colonial legacies, corruption, and internal imbalances—where charismatic figures or tightly knit friendship circles wield disproportionate influence, and managers retain outsized authority—they remain one of the few models that weave democratic governance into economic and cultural life. Cooperatives prove that worker control and solidarity-based production can endure, even when they run counter to the dominant logics of capital. Unlike traditional labor struggles within capital's framework, cooperatives carve out alternative economic circuits, offering partial autonomy that shields marginalized groups—including those with hidden disabilities and LGBTQ+ communities increasingly

under attack—while still being vulnerable to market forces, legal constraints, and internal hierarchies. Politically, cooperatives encompass a striking breadth of perspectives—ranging from agricultural and electric cooperatives rooted in rural pragmatism to worker cooperatives animated by labor solidarity and democratic control. This ideological heterogeneity is not merely a byproduct of member diversity; it is a feature that strengthens the movement. As Jessica Gordon Nembhard observes in *Collective Courage*, the African American cooperative movement has long drawn on “religious, mutual aid, nationalist, socialist, and civil rights-based perspectives.” Such plurality, she argues, enabled cooperatives to confront economic exclusion and racial oppression with adaptive, justice-oriented responses. In this light, ideological diversity becomes not a source of division, but a resource of strategies for resisting economic domination¹¹. Cooperatives demonstrate that another economy is possible—not by overhauling the system overnight, but through incremental shifts. Even at scale, their most transformative effects often lie in the subtleties: marginal gains in wages, more participatory governance, and a cultural ethos that values equity over extraction. These differences, though modest, can pressure capitalist firms to adapt, lest they lose workers to fairer alternatives.

This dialectic—between prefiguration and structural constraint, between cooperatives as tools for liberation and as mechanisms of containment—defines the contemporary debate on their role in the AI era. If the left hopes to shape AI in ways that serve collective interests rather than padding corporate balance sheets, it must ground its efforts in concrete movements with tangible impacts in the near future. Can cooperatives, in collaboration with public institutions, build AI systems—or will they remain constrained by the steep costs of development and the infrastructure demands of community-run data centers? Can they resist co-optation, scaling in ways that do not erode their principles? Is there a path for cooperatives to move beyond the margins and meaningfully contest the dominance of AI oligopolies—perhaps by building on emerging open-source frameworks backed by entities like the EU?

This essay engages with these questions, arguing that while cooperatives alone will not dismantle platform capitalism, they remain likely one of the most viable movements through which AI development can be reclaimed for the public good. But to fulfill this role, cooperatives must move beyond merely economic defensive survivalism. They must link with unions and social movements, shape legislation, and influence institutions—not as ethical enclaves but as forces for systemic change. Neither a panacea nor an irrelevance, cooperatives are terrains of struggle.

Cooperatives as Laboratories of Prefiguration

Cooperatives should not merely be seen as alternative business models but as laboratories of prefiguration—spaces where different modes of production and social relations are enacted before they become dominant in broader society. Erik Olin Wright, in *Envisioning Real Utopias*, argues that socialist transformation need not hinge on a singular revolutionary rupture, but can emerge through ‘interstitial strategies’—non-capitalist institutions that grow and coexist within capitalist systems. Cooperatives embody this approach, carving out spaces within the dominant order that model alternatives to wage labor and private ownership.

Yet history offers ample warnings about the limits of such prefigurative spaces. Rosa Luxemburg, in *Reform or Revolution*, argued that cooperatives lacking the capacity to fundamentally challenge capital accumulation would become ensnared in the very system they sought to escape¹².

The workers forming a co-operative in the field of production are thus confronted with a fundamental contradiction: they must govern themselves with the autocratic precision once reserved for the capitalist boss. In assuming both the role of labor and the mantle of management, they become split selves—owners charged with disciplining their own labor. Yet rather than dissolving under this tension, cooperatives have, for nearly two centuries, grappled with this dual identity. Their long survival is not despite the contradiction, but because they have developed practices—both formal and cultural—for negotiating the paradox of being both governed and governors.

Producer cooperatives, compelled to sell commodities in direct competition with capitalist firms, often find themselves adopting the same cost-cutting and profit-driven imperatives that undermine worker control. Luxemburg’s critique, written just fifty years after the first modern cooperative, judged a movement still in its infancy—before the rise of multistakeholder and social cooperatives, which today number 14,000 in Italy alone¹³. Still, Luxemburg’s critique endures, as even major cooperatives adopt two-tier labor structures that echo the capitalist norms they seek to replace. As John M. Staatz notes in *Cooperative Theory: New Approaches*, “as cooperatives scale, they tend to mirror investor-owned firms,” with decision-making shifting toward managerial elites rather than remaining under democratic control¹⁴. Meanwhile, corporations—like Amazon in Italy—have exploited the cooperative form from the opposite direction, offloading low-wage labor onto nominal cooperatives to evade labor protections and slash costs. The pattern also reverses: in some cases, cooperatives themselves function as subsidiaries, managing Amazon delivery drivers

under exploitative terms. In both cases, the cooperative ideal is bent into a tool of flexibility and control, rather than a bulwark against it.

Nonetheless, cooperatives have historically functioned as spaces where new social assemblages emerge. Silvia Federici, in *Re-Enchanting the World: Feminism and the Politics of the Commons*, critiques the invisibility of reproductive labor and argues that cooperative structures can help reclaim control over both production and reproduction, eroding capital's grip over daily life¹⁵. By centering democratic governance and collective care, cooperatives create the conditions for aligning production with social reproduction—something capitalism, with its drive for profit and privatization, structurally resists.

Feminist cooperatives reveal this integrative power: Brazil's Landless Workers' Movement and India's SEWA blend union organizing with collective ownership, showing how cooperatives can become sites of gender justice, economic democracy, and social transformation.

Nevertheless, cooperatives remain crucial sites of resistance to market encroachment. Karl Polanyi, in *The Great Transformation*, describes how society resists the commodification of labor through "countermovements" that reclaim control over economic life.¹⁶ The cooperative movement has historically been one such countermovement, offering structures that "re-embed production within social and ethical relations, rather than subordinating it to profit"¹⁷. For this resistance to succeed, however, cooperatives must avoid insularity.

Cooperatives must pressure municipalities for legal and financial support, build federations to scale and share risks, and develop tools to empirically evaluate and assert their difference. They should also align with social and environmental justice movements to embed themselves in broader struggles for systemic change, and pursue public-cooperative hybrids that offer municipalities non-controlling stakes in exchange for legitimacy, resources, and shared democratic infrastructure.

Here, the GKN Factory Collective near Florence offers a rare example of worker-led resistance that centers ecological care. After occupying their plant in 2021, laid-off workers proposed converting it for sustainable production—solar panels, cargo bikes—offering a vision of industry grounded in environmental justice rather than extractive growth, and a reminder of what cooperative control over technology could prioritize.

At the same time, scaling cooperative prefiguration beyond small experiments remains

difficult. Cooperatives often struggle to extend their influence beyond immediate membership, limiting their ability to reshape the broader economic order. Without a larger political strategy, they risk becoming little more than mechanisms of survival—valuable for buffering against precarity, yet inadequate to catalyze systemic change. Survival, while necessary, is not transformation; without structural ambition, it merely holds the line.

Ultimately, cooperatives as laboratories of prefiguration exist in a dialectic of possibility and constraint. They can be incubators for radically democratic AI governance, as seen in federated data cooperatives, worker-led platform co-ops, and locally driven AI initiatives tailored to community needs. From cooperative cloud infrastructure projects to AI models designed for regional languages and small-scale agricultural forecasting, these experiments challenge the dominant paradigm of centralized, corporate-controlled AI. They can integrate feminist, ecological, and racial justice struggles into economic structures. Whether they drive systemic transformation or remain enclaves of ethical capitalism depends on their integration into larger movements.

The Illusions and Contradictions of Cooperative Capitalism

With more than 140 countries subjected to austerity programs imposed by the IMF and the majority of the global population governed by regimes marked by varying degrees of repression and democratic erosion, the prospects for immediate systemic relief are dim. There is no singular solution—only a patchwork of local responses, fragmented yet essential. In Barcelona, radical municipalism shows how cooperative efforts can unsettle entrenched power, suggesting that change may come not from sweeping reforms but from the accumulation of grounded, collective action.

Beyond governance structures, financial barriers to cooperative membership reinforce existing inequalities. The mentioned 2022 study by Sarah Reibstein and Laura Hanson Schlachter, based on the first national survey of U.S. worker cooperatives, finds that white men disproportionately control cooperative capital and leadership. Structural barriers—such as occupational segregation and high financial entry costs—reinforce racial and gender disparities, challenging the idea that cooperatives inherently promote economic justice. Many cooperatives require significant capital to join—owning a bus for a bus cooperative or livestock for a cattle cooperative—creating divisions that favor those with existing assets and exclude youth without the resources to participate. This pattern is not new. Cooperatives have often reinforced hierarchies; in apartheid South Africa, state-backed white cooperatives monopolized markets and subsidies, excluding Black workers from ownership and capital¹⁸.

Though Gramsci focused on factory councils as engines of socialist hegemony within capitalism, cooperatives—operating outside that structure—hold parallel potential to challenge market dominance through autonomous, everyday institutions. If cooperatives embrace a politically engaged role—eschewing mere economic self-sufficiency—they could still function as those alternative “starting points” promoted by Negri and Hardt to reorganize production and reproduction¹⁹. In that sense, one might not only extend Gramsci’s understandings but also critique their limits in addressing the transformative potential of cooperative enterprise.

This duality—between cooperatives as spaces of potential transformation and as mechanisms of assimilation—persists today. Jodi Dean, in a more ruthless critique, dismisses cooperatives as distractions, arguing that they pose no real threat to capital: “Goldman Sachs doesn’t care if you raise chickens”²⁰. While cooperatives work well in sectors where local, sheltered markets and self-sufficiency are feasible, AI operates at a different scale—one dictated by intellectual property laws, massive data centers, and financialized technological development. David Harvey critiques the cooperative movement’s limitations in challenging global capitalism, particularly emphasizing the constraints imposed by their local scale. In *Spaces of Global Capitalism: A Theory of Uneven Geographical Development*, Harvey discusses how capital’s ability to operate on a global scale contrasts sharply with the localized nature of many cooperative initiatives, thereby limiting their structural power to effect systemic change²¹. Especially at a time when the platform economy has expanded to include 450 million workers²², what, exactly, are the alternative solutions that meaningfully shift power back to workers? If cooperatives are only a partial answer, what else is meaningfully and structurally shifting power back to workers?

The history of cooperatives swings between radical ideals and practical compromise, with principles often more symbolic than enforced. Eric Hobsbawm’s analysis of early socialist experiments under Robert Owen suggested that cooperatives, while useful for organizing workers, often required state support to persist—raising the question of whether self-sufficiency was ever truly possible²³.

In many cases, cooperatives have been absorbed into capitalist structures rather than overcoming them. Lenin, in *On Cooperation*, saw cooperatives as a transitional step toward socialism but only when integrated within a proletarian state²⁴. Otherwise, he warned, they risked becoming reformist projects, ameliorating the worst aspects of capitalism without changing its core dynamics. Yet history complicates this vision: state-mandated cooperatives, particularly under state socialism in many African countries, often proved disastrous—top-down, bureaucratic, and disconnected from the needs of their members,

they became tools of state control rather than genuine vehicles of economic democracy. The 20th-century trajectory of cooperative banks is a testament to this risk: institutions such as Raiffeisen Bank International in Austria, The Co-operative Bank in the UK, Desjardins Group in Canada, and The Co-operative Bank of Kenya began as radical alternatives but were gradually transformed into conventional financial institutions, often indistinguishable from their corporate counterparts. Many now trade on stock markets—such as the Vienna Stock Exchange, Toronto Stock Exchange, and Nairobi Securities Exchange—raising questions about how cooperative principles still guide their operations.

Cooperatives have at times willingly shed their political commitments, often under pressure to survive. In the U.S., McCarthyism pushed the Cooperative League of America—now NCBA CLUSA—to abandon its anti-capitalist stance in favor of a neutral, businesslike posture.

Cooperatives have at times willingly shed their political commitments, often under pressure to survive. In the U.S., McCarthyism pushed the Cooperative League of America—now NCBA CLUSA—to abandon its anti-capitalist stance in favor of a neutral, businesslike posture. By contrast, other cooperatives have retained strong political ties, keeping cooperatives embedded in leftist politics. Still, the broader trend toward depoliticization has led many to mistake neutrality for inclusivity—diluting their transformative potential in the process. Yet neutrality is not always an advantage. The Rochdale Pioneers enshrined political neutrality as a cooperative principle to avoid sectarian divisions, but silence does not absolve; it enables. When cooperatives remain politically passive, they risk becoming instruments of the very forces they were meant to resist.

The question, then, is not simply whether cooperatives can survive within capitalism, but whether they can retain their transformative potential while doing so. The cooperative movement, despite its contradictions, still represents one of the most concrete ways in which economic democracy can be enacted in the present.

As Charles Fourier warned, economic self-management can provide only “a dull and mediocre existence,”²⁵ preserving the drudgery of labor without transforming its conditions. True freedom lies not in managing toil more efficiently, but in reimagining it—work not as burden, but as desire. Cooperatives must ask: do they merely redistribute drudgery, or dare to transform the nature of work itself? Whether they drive systemic change or remain enclaves of ethical capitalism depends on their integration into broader transformative movements.

If cooperatives are to avoid becoming mere echoes of capitalist firms, they must embrace

their role as political actors, not just economic ones. As Rosa Luxemburg put it, “The socialist project is not just about resisting capitalism but about building a different world within it,”²⁶ and whether cooperatives serve as stepping stones toward socialism or merely more humane variants of capitalism depends less on their structure than on the political struggles that animate them.

If AI is to be reclaimed from the hands of corporate monopolies, then its governance must remain as close as possible to those affected by its deployment. Cooperatives provide a structural counterweight to the monopolization of AI by Google, Microsoft, OpenAI, and Amazon, whose economic incentives prioritize surveillance, automation-driven labor displacement, and the extraction of user data for profit. Unlike corporate AI, which prioritizes secrecy and proprietary control, cooperatives emphasize democratic decision-making, worker ownership, and transparent algorithmic accountability.

Existing models offer examples of how this could work: Guifi.net in Spain demonstrates that decentralized internet infrastructure can be community-owned; PescaData and Fish With a Story show how data cooperatives can empower small-scale producers instead of reinforcing extractive supply chains. AI governance should follow this trajectory—placing decision-making power in the hands of affected communities rather than corporate shareholders.

The Case for Cooperative AI

In contrast to corporate AI, which is structured around proprietary models and profit-driven imperatives, cooperatives integrate AI development within democratic, transparent, and worker-led structures. Unlike the extractivist logic of Big Tech, cooperatives treat data as a shared resource, emphasizing member ownership and collective benefit rather than private profit.

Bühler et al. (2023) argue that “digital federated platforms and data cooperatives for secure, trusted, and sovereign data exchange will play a central role in the construction industry of the future.”²⁷ Similarly, Hardjono and Pentland suggest that “credit unions and similar institutions can provide a suitable realization of data cooperatives.”²⁸ These perspectives indicate that cooperatives can challenge corporate monopolization of AI by ensuring community control over technological development.

Existing models already point the way: Transkribus is an AI cooperative for handwriting recognition; CoopCycle offers a worker-owned alternative to gig delivery platforms;

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Commons Cloud challenges Big Tech's grip on cloud services; AI Commons and the DECODE Project promote decentralized, citizen-controlled approaches to data and algorithmic governance.

These initiatives show that cooperatives can offer alternatives to dominant digital platforms, demonstrating that digital infrastructure can be collectively governed. But can initiatives this small ever do more than scratch the surface of AI monopolization?

While cooperatives provide ethical and democratic alternatives, their ability to scale remains uncertain. AI development requires vast computational resources, expensive research, and access to talent—areas where Big Tech maintains a near-total monopoly. The financial barriers alone pose a significant challenge. AI monopolization by companies such as Google and Microsoft concentrates control over data, research, and cloud infrastructure, making it nearly impossible for smaller cooperative initiatives to operate at competitive levels.

The dilemma is clear: to survive, cooperatives often have to engage with capitalist markets, but in doing so, they risk adopting the same competitive practices that undermine their principles.

If even the most prominent cooperative networks must adopt hierarchical labor structures to scale, what hope remains for cooperative AI to preserve its radical principles?

Despite these challenges, cooperatives remain one of the few viable models for democratic AI governance. The question is not whether they can rival Big Tech overnight, but whether they can build counter-hegemonic institutions that reshape technological power. This demands:

- Expanding federated AI cooperatives to mutualize resources and infrastructure.
- Advocate city and regional governments to pass laws and allocate public funds that support cooperative AI projects—like grants for worker-owned tech startups or mandates for using co-op platforms in public services.
- Partnering with labor unions to push for laws that require worker input in AI design, mandate algorithmic transparency, and channel public funding toward cooperative tech projects.
- Investing in community data centers and open-source AI to challenge corporate dominance.

Beyond economic alternatives, epistemological shifts are also needed. Sabelo Mhlambi calls for AI models rooted in African epistemologies, such as Ubuntu, which centers communal well-being over individualism²⁹. If cooperative AI is to succeed, it must challenge not only corporate monopolization but also the underlying knowledge systems that shape technology itself.

If cooperatives today seem ideologically inert, this is not accidental but the product of deliberate depoliticization—seen not only in the McCarthy era or Legacoop’s alignment with party politics, but also in Pinochet’s Chile, where cooperatives were stripped of transformative ambition and reduced to neutral economic actors. This strategic retreat has left a lasting imprint: many contemporary cooperatives embrace a rhetoric of neutrality, mistaking it for inclusivity, when in reality, it often serves as a mechanism for reinforcing existing power structures.

Yet the insistence that cooperatives must be neutral is historically contingent. The principle of political neutrality, codified by the Rochdale Pioneers to unite workers across religious, political, and ideological divides, reflected their historical moment—not ours.

Cooperatives as Political Instruments or Contained Alternatives?

This dynamic has played out across multiple historical moments. Across regimes—from fascism to neoliberalism—cooperatives have been shaped by political pressures: tolerated when aligned with state ideologies, dismantled³⁰ when oppositional, and under neoliberalism, subtly reshaped to fit market logics. The International Cooperative Alliance, once a hub of radical organizing, now partners with firms like IBM, Google, and Ernst & Young³¹. As Antonio Negri and Michael Hardt have observed in relation to other institutions, the institutionalized cooperative movement also faces a critical need for reform—specifically, “to provide the necessities for developing the entrepreneurship of the common and the innovation of cooperative social networks.”³²

If cooperatives have often been contained rather than revolutionary, the reasons are structural as much as ideological. The economic constraints placed on cooperatives—particularly their reliance on self-financing and their exclusion from mainstream capital markets—force them to operate in ways that prioritize financial survival over radical transformation. The worker cooperative movement’s marginality is not merely a function of scale but of ideological containment. In the United States, they account for only 0.0025% of all businesses—remaining largely confined to micro-enterprises with little structural impact.

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The marketing discourse surrounding cooperatives increasingly resembles that of ethical capitalism rather than a revolutionary alternative, positioning them as “capitalism with a conscience” rather than a fundamental rupture with market logics. Too often, co-op convenings become echo chambers where genuine critique is unwelcome, and the advocacy narrative follows a predictable script that could be auto-generated by ChatGPT. Rather than fostering real debate or grappling with difficult questions, these gatherings prioritize performativity over transformation, applauding affirmation instead of analysis.

And yet, if co-ops hope to contribute meaningfully to AI—or any rapidly evolving field—they cannot afford to insulate themselves from hard questions.

If cooperatives remain marginal economic actors today, it is not because they lack potential but because they have not yet been properly mobilized as part of a larger political strategy. This perspective resonates with the trajectory of 20th-century cooperative movements. In Italy and Spain, cooperative networks flourished not through economic self-sufficiency alone but through their integration into broader leftist politics. The Basque Country’s Mondragon network—rooted in a fiercely regionalist push for economic autonomy—likewise thrived. In India, Kerala’s cooperative movement is deeply tied to leftist politics, promoting decentralized planning, social welfare, and alternative finance through a vast network of worker, agricultural, and credit cooperatives. Meanwhile, Cooperation Jackson in Mississippi articulates a vision that ties cooperative development to Black liberation, socialist organizing, and ecosystem building—insisting it cannot be politically neutral in an unequal society—yet this vision remains only partially realized, with gaps in practice.

To challenge Big Tech and AI monopolization, cooperatives must adopt this more strategic approach—one that sees cooperative economic development as part of a broader struggle for economic democracy, not merely as an ethical alternative within capitalism. This means:

- Aligning with labor unions and digital rights movements to push for AI governance frameworks that center worker and community control.

- Calling for the establishment of public funding and regulatory mechanisms that prioritize cooperative approaches to AI, challenging the dominance of corporate monopolies.

- Working with international co-op networks to share costs, pool tech resources, and scale cooperative AI beyond isolated local experiments.

Will Cooperatives Reclaim AI?

Cooperatives alone will not dismantle platform capitalism, nor can they, in isolation, build a socialist AI future. They offer a glimpse of economic democracy in practice, yet their ability to challenge capitalism's structural imperatives remains uncertain. Are they counter-institutions, or will they, like so many past experiments, be swallowed by the very market forces they seek to escape? Their paradox is clear: they embody both capitalism's adaptability and its potential undoing, demonstrating viable alternatives while struggling to break free from market imperatives.

The left will decide whether cooperatives can be merely survival strategies within capitalism, or if they will become instruments of systemic change. If they remain politically neutral, they will continue to function as pressure valves rather than forces of transformation. Cooperatives stand at the edge of the algorithmic abyss—not to leap, but to build a bridge, plank by plank, from the ruins of platform capitalism. Whether that bridge leads to liberation or just another cul-de-sac depends not on code or capital alone, but on whether we treat AI as a political question, not just a technical one. The future of AI will be shaped not only by its creators but by the collective actions of those who challenge its trajectory—cooperatives, social movements, and communities striving to reclaim technological agency from corporate monopolies. Whether cooperatives will shape the future of AI depends not on their structure alone, but on their grounding in broader political movements.

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