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Résumé

Nombreux sont ceux qui débattent du potentiel du coopérativisme des plateformes pour les travailleurs indépendants. Cet article présente deux études de cas de deux organisations de New York au service des immigrants latino-américains, l'une ayant choisi de former une plateforme coopérative (Center for Family Life) et l'autre ayant finalement rejeté l'idée (Los Deliveristas Unidos). Les défis historiques à la formation de coopératives sont considérés pour les travailleurs immigrés et un nouveau défi d'orientation du mouvement social est avancé.

Mots-clés : Coopératives, syndicats, travailleurs de la plateforme, immigrés, Gig Economy.

Abstract

Many debate the potential of platform cooperativism for gig workers. This paper presents two case studies of two organizations in NYC servicing Latinx immigrant, one who chose to form a cooperatively-owned platform (Center for Family Life) and one who ultimately rejected the idea (Los Deliveristas Unidos). Historical challenges to coop formation are considered for immigrant workers and a new challenge of social movement orientation is advanced.

Keywords: Cooperatives, Labor Unions, Platform Workers, Immigrants, Gig Economy

With the rise of the gig economy and platformization of the service economy there has been a general increase in the precarity and dependence of the workers on these apps. Uber drivers and Deliveroo couriers enticed with promises of high earnings and independence have found just the opposite. A central problem is these apps insistence that those that work on them are not employees entitled to rights but instead independent contractors merely utilizing the platforms to find customers. While corporate platforms have generated precarity, observers noted that the relative low costs and portability of these apps contained great potential to build low cost and scalable worker-owned platforms.¹ Workers could keep the benefits of the apps while avoiding the externalities through democratic ownership.

Given these potential benefits why would gig workers choose not to pursue this alternative? This paper utilizes two similar immigrant serving organizations in Brooklyn, NY who both considered the prospect of building a platform cooperative but only one did. The first organization the Center for Family Life (CFL) is a social service organization which incubated Up & Go is a Latinx-led platform cleaning coop. The second group, Los Deliveristas Unidos a project of the Workers Justice Project (WJP), a Latinx workers' center organizing app delivery workers, ultimately rejected the idea of a platform cooperative despite offers of capital and technical assistance. These cases are based on interviews with key organizational leadership from both groups as well as ethnographic observation, focus groups, and a survey of LDU.

Past research has investigated the challenges which have hindered worker coop development. Scholars have pointed to three key problems in forming a worker coop the issue of raising capital, the issue of preference heterogeneity (i.e. differences in workers' interests due to work or life status) or forming democratic structures, and the issue of the local institutional context.² In the cases understudy here though the similarity between these organizations meant the nature of these challenges for each organization was comparable.

To account for the eventual divergence despite these similarities, this study adds an additional consideration, the issue of movement orientation. Movement orientation is the history, political

¹ Scholz, T. Platform Cooperativism. Challenging the corporate sharing economy. New York, NY: Rosa Luxemburg Foundation, 2016.; Schneider, N. "An Internet of ownership: Democratic design for the online economy." *The Sociological Review*, 66(2), 2018, p. 320–340.

² Bunders, D. J., Arets, M., Frenken, K., & De Moor, T. "The feasibility of platform cooperatives in the gig economy." *Journal of Co-operative Organization and Management*, 10(1), 2022, p. 100-167.

cultures, organizational background, and aims different activist groups looking at building a co-op bring to the decision. CFL with a social service orientation already invested in coop formation was a better cultural fit for forming a platform cooperative than LDU's labor movement orientation. Additionally, forming a cooperative generated greater contradiction for LDU's movement aims. Accounting for movement orientation helps explain the divergence in pursuing a coop.

This paper is broken up into two sections. The first section explores the promise and peril of platform cooperativism in historical context. The common challenges facing cooperatives are explained and the authors advocate for considering the importance of immigration and movement orientation. The second section presents two empirical case studies of immigrant organizations faced with the prospect of forming a platform cooperative. The challenges facing platform cooperative formation are evaluated for these cases which highlight the particular importance of movement orientation in understanding why some immigrant workers would reject the idea of forming a platform co-op even under favorable conditions.

Platform Cooperativism in Historical Context

The current rise in platform cooperativism can be situated in a moment of general growth and renewed interest in worker cooperatives. The political and legal history of cooperatives plays an important role in shaping the transformative potential and efficacy of platform coops. To situate the current moment in context this section proceeds as follows: First, the potential benefits and scope of worker co-operatives are considered. Second, the political and legal history of coops in the U.S. is evaluated. Third, the potential and challenges to platform cooperativism are described. Fourth, the authors advance the importance of immigration and movement orientation in considering the potential formation of platform cooperatives.

The Promise of Worker Cooperatives

Worker cooperatives have long been viewed as important tools for overcoming the negative externalities of capitalism for both workers and their communities. At their most basic level worker owned cooperatives are democratically run businesses where each worker has an ownership stake in the business. Beyond workers' hope that this will result in greater financial benefits advocates argue that cooperatives build wealth, stabilize communities, push the economy to be more ethical, and can enrich societies democratic character.³

Cooperatives also contain the power to provide valuable alternatives to marginalized groups. Cooperatives can offer minorities a means of subsistence when facing employment discrimination⁴ or a means to assert political alternatives to systems activists reject.⁵ Numerous studies find

³ Meyers, Joan, Sanjay Pinto, Olga Prushinskaya, and Laura Hanson Schlachter. "Cooperation and Community: A New Generation of Worker Cooperatives," in *The Cambridge Handbook of Community Empowerment*. Cambridge: Cambridge University Press, Forthcoming.

⁴ Gordon Nembhard, J. *Collective Courage: A History of African American Cooperative Economic Thought and Practice*. University Park, PA: Pennsylvania State University, 2014.

⁵ Davis, J. C. *From head shops to whole foods: The rise and fall of activist entrepreneurs*: Columbia University Press, 2017.; Schlachter, L. H. *Stronger Together? The USW-Mondragon Union Co-op Model*. *Labor Studies Journal*, 42(2), 2017, p. 124-147.

cooperative workers experience better working conditions and work-family balance than traditional workers.⁶ Additionally, participation in a worker cooperative can give members intrinsic benefit of doing something meaningful.⁷

Despite the many potential benefits worker cooperative remain rare and are rarer still in the United States. A recent survey of cooperatives estimates there are between 900-1,000 coops in the U.S. with the highest concentrations in the Bay Area, New York City, and Puerto Rico. While small, the growth has been large growing 30% since 2019.⁸ Most cooperatives in the U.S. are often small and deliberately so to maintain meaningful democratic practice. The democratic control of these firms blurs distinctions between worker and owner and offers an alternative economic model.

The History and Legal Development of Worker Cooperatives in the U.S.

The history of co-operatives in the U.S. can be traced back to the post-Civil War period. In the 1870s smallholding farmers found themselves stuck operating in a crop-lien debt patronage system. In response farmers organized large purchasing and marketing cooperatives like the National Grange in 1875 and the Farmers Alliance also organized around this time.⁹ The Grange adopted the Rochdale Society of Equitable Pioneers' in England's principles connecting this agricultural movement to the British anti-industrial movement. The Knights of Labor, the largest labor union of the era, joined the co-op movement in the 1880s forming formal partnerships with the Grange, impacting the philosophical foundation of the early labor movement in the country during the Gilded Age.¹⁰ In 1965 Michigan became the first state to enact a cooperative statute and by 1911 twelve states has passes similar laws.

The federal government was less amenable to the co-op movement. The Sherman Antitrust Act of 1890 undermined the legal development of co-ops. The Act, designed to break the same trusts which the Grange was formed to counter, was used to prosecute co-ops for setting common prices among produces.¹¹ States fought the Sherman Act during the progressive era passing their own uniform cooperative marketing laws. These state laws formed the basis of the federal Clayton Act of 1914 and the Capper-Volstead Act of 1922 which is known as the Cooperative Bill of Rights which exempted farm co-ops from violating antitrust laws. Promoting farm and banking co-ops

⁶ Berry, D., & Bell, M. P. Worker Cooperatives: Alternative Governance for Caring and Precarious Work. Equality, Diversity and Inclusion: An International Journal, 37(4), 2018, p. 376-391.; Meyers, J. S. M. Working Democracies: Managing Inequality in Worker Cooperatives. Ithaca, NY: ILR Press, an imprint of Cornell University Press, 2022.

⁷ Berry, D. Effects of Cooperative Membership and Participation in Decision Making on Job Satisfaction of Home Health Aides. In Sharing Ownership, Profits, and Decision Making in the 21st Century, edited by Douglas Kruse, 3 - 2. Emerald Group, 2013.

⁸ Democracy at Work Institute. "Worker Cooperatives in the U.S.", 2021. Accessed June 17, 2022 at <https://institute.coop/resources/2021-worker-cooperative-state-sector-report>.

⁹ Ness, Immanuel. "Worker Cooperatives in the United States: Historical Perspective and Contemporary Assessment." Rosa Luxemburg Foundation, 2012. Accessed July 10, 2022 at <https://www.workerscontrol.net/system/files/docs/Worker%20coopertives%20in%20US%20history.pdf>.; Pitman, Lynn. "History of Cooperatives in the United States: An Overview." UW Center for Cooperatives, 2018. Accessed July 10, 2022 at https://resources.uwcc.wisc.edu/History_of_Cooperatives.pdf.

¹⁰ Leikin, S. B. The Practical Utopians: American Workers and the Cooperative Movement in the Gilded Age. Detroit: Wayne State University Press, 2004.

¹¹ Supra note 9

became central to the federal government's stabilizations strategy during the Depression further codifying co-op law in the U.S. With the passage of the National Labor Relations Act (NLRA) of 1935 the labor movement's interest in co-ops waned.¹² The NLRA's institutionalization of the right to collectively bargain discouraged more militant strategies like striking or forming capitalist alternatives.

While there was a brief upsurge and interests in co-ops by the Civil Rights Movement and other activists throughout the 1960s to build economic alternatives for marginalized communities the co-op movement had largely disappeared following the 1970s financial crisis. The once powerful farm cooperatives had transformed into some of the largest agro-capitalist enterprises in the country. The impacts of deindustrialization and neoliberalism renewed interest in co-ops. Modern co-op law began with the passage of the Massachusetts cooperative law in 1982, which was based on the Mondragón co-op in Spain, and became the model for states to reform their corporation laws to accommodate cooperatives.¹³ The renewed interest in co-ops in the U.S. followed the global movement to build the Social Solidarity Economy as a viable alternative to the neoliberal era.¹⁴ The labor movement found a renewed interest in building co-operatives most notably the United Steel Workers forming a formal partnership with Mondragón.¹⁵ Meanwhile the U.S. social service movement similarly began pushing co-op development as an alternative to the low-wage jobs which proliferated following the President Clinton's punitive welfare reforms.¹⁶ These parallel co-op traditions, social service and labor, are reflected in the two cases presented in this paper.

Platform Cooperativism's Promise and Peril

If the modern co-op movement began as a response to neoliberalism it exploded following the 2008 financial crisis. The rise of platform corporations grew out of the monetization of another great recession era phenomenon, the sharing economy.¹⁷ Platform companies created digitally mediated employment where workers are matched through an electronic marketplace. Tech firms, like Uber, argued that their businesses merely provide the electronic marketplace and they do not actually employ these workers who are instead independent contractors. This classification means workers are not entitled to standard employment rights or protections. Critics believe this argument generates the workers precarity and dependence. These issues were magnified given governments' initial unwillingness to force these companies to follow the law.¹⁸ Given this situation many

¹² Ibid

¹³ Ellerman, D., & Pitegoff, P. "The Democratic Corporation: The New Worker Cooperative Statute in Massachusetts." *NYU Rev. L. & Soc. Change*, 11, 441, 1982.; Levinson, A. R. "Founding worker cooperatives: Social movement theory and the law." *Nev. LJ*, 14, 322, 2013.

¹⁴ Utting, Peter. *Social and Solidarity Economy Beyond the Fringe*. London: Zed Books Ltd, 2015.

¹⁵ Witherell, R. (2013.) "An Emerging Solidarity: Worker Cooperatives, Unions, and the New Union Cooperative Model in the United States," in *Trade Unions and Worker Cooperatives: Where Are We At?*. International Labor Organization, 2013, p. 251-268.

¹⁶ Cummings, S. L. "Developing cooperatives as job creation strategy for low-income workers." *New York University Review of Law & Social Change*, 25(2), 1999, p. 181-212.

¹⁷ Schor, J. B. *After the gig: How the sharing economy got hijacked and how to win it back*. Berkeley: University of California Press, 2020.

¹⁸ Wolf, A. "[City Power in the Age of Silicon Valley: Evaluating Municipal Regulatory Response to the Entry of Uber to the American City.](#)" *City & Community*, 2022.; Wolf, A. "Who's the Boss? Digitally Mediated Employment's

proposed worker owned platform cooperatives as a potential solution to these problems.¹⁹ Platform cooperatives which could utilize the affordability and network effects of the internet seemed to hold the potential to counter the capital and scale problems which plague traditional cooperatives. There has since been a mini-proliferation in platform cooperatives around the world.

While the potential of platform cooperativism seemed promising problems both traditional and new remained. Noting the general inability of even corporate platforms to turn a profit some raised concerns that platform cooperatives could be competitive and sustainable. Bunders et al. evaluated the potential feasibility of platform cooperatives by comparing the challenges of platforms to the traditional challenges cooperatives have faced.²⁰ They focus on three specific issues which have plagued cooperative efforts historically but are particularly salient for platforms: raising capital, worker heterogeneity, and institutional context.

Historically, capital has presented a great challenge to the creation of cooperatives as workers hold less wealth to invest than capitalists. While the internet makes the potential costs lower the amount is still greater than most workers in these industries can afford.²¹ The capital problem is also highly dependent on whether gig workers are creating a new platform cooperative from scratch or if an existing cooperative adopts a platform.²²

Worker heterogeneity creates problems given the democratic structures of the cooperatives. If workers have competing visions of the direction the coop should take it can undermine successful operation and members commitment to the enterprise including in platform coops.²³ It is further argued that heterogeneity in the gig economy is worse given the workers social and geographic isolation from each other.²⁴

Institutional context is the social and political environment which shapes coop formation. At a basic level different countries and localities have different legal systems which impact the easy of forming platform cooperatives.²⁵ While scholars have traditionally focused on the business, tax, and financing rules immigration law is important as well. Additionally, the intensity of bureaucratic hurdles one must overcome to form a coop interacts with movement orientation which can raise or lower the perceived costs of forming a platform coop. Bunders et al. also note that the

Impacts on Labour Markets and the Nature of Work.” in *The Platform Economy and the Smart City: Technology and the Transformation of Urban Policy* eds., Spicer, Z & Zwick, A. McGill-Queen's University Press: Montreal, 2021.

¹⁹ Supra note 1

²⁰ Supra note 2

²¹ Belloc, F. “Why Isn’t Uber Worker-Managed? A Model of Digital Platform Cooperatives.” CESifo Working Paper No. 7708, 2019.

²² Bunders, D. J. “Gigs of their own: reinventing worker cooperativism in the platform economy and its implications for collective action.” In *Platform Economy Puzzles*. Edward Elgar Publishing, 2021, p. 188-208.

²³ Bunders, Damion Jonathan, and Agnes Akkerman. “Commitment Issues? Analysing the Effect of Preference Deviation and Social Embeddedness on Member Commitment to Worker Cooperatives in the Gig Economy.” *Economic and Industrial Democracy*. 2022, p. 1-20.; Borowiak, C. & Ji, M. “Taxi co-ops versus Uber: Struggles for Workplace Democracy in the Sharing Economy.” *Journal of Labor and Society* 21(1), 2019, p. 1-21.

²⁴ Supra note 2

²⁵ Pentzien, J. “The Politics of Platform Cooperativism: Political and Legislative Drivers and Obstacles for Platform Co-ops in the U.S.A., Germany, and France.” ICDE Research Report. New York: ICDE, 2020.

context for platform cooperatives is better when there is greater political contestation over the impacts of cooperate platforms in each industry.²⁶

Given these three challenges Bunders et al. conclude that platform coops are more feasible when the costs of formation are low, the workers have similar interests, and institutional support is great.²⁷ This leads them to be particularly skeptical of forming a cooperative in the food delivery industry where the costs are greater given the complexity of the platform matching logic, the workers are likely to be heterogenous, and the institutional support might be low given historically minimal regulation. Despite these predictions, in the NYC context, the conditions might have been more favorable. First, foundations and technological advisors offered to cover the initial capital costs for LDU. Second, the workers are less heterogenous than they might be in other cities. As Figueroa et al's study of NYC delivery workers shows most of the industry works full-time, most are of a similar age, and the workers come from just a few immigrant communities (Latinx, Bangladeshi, West African, and Chinese).²⁸ Third, the institutional context was very favorable as apps were highly contested, the workers were organized through Los Deliveristas Unidos, the City had passed first in the nation minimum employment standards regulations (minimum wage, health & safety, limits on order distance, and anti-discrimination), and the City had an active program to financially support the formation of worker cooperatives. Given that the situation was more favorable than Bunders et al. had found in their largely European cases.²⁹ This paper proposes the additional challenge of movement orientation which account for the decision to not pursue a platform cooperative.

The Role of Immigration and Movement Orientation

The challenges facing coop formation for immigrants can also be greater. The immigration status of potential cooperative members has a big impact on cooperative formation discouraging membership. Regardless of immigration status, immigrant workers face limited employment opportunities and exploitation in the labor market due to discrimination. Given their marginalization they also have less capital to invest in a co-op. Furthermore, immigrant workers in low-wage service industries face marginalization which makes co-op formation risky regardless of one's immigration status. Despite this, co-op proponent in the U.S. believe co-ops generally can provide better employment opportunities than immigrants can find in the traditional economy.

Movement orientation and the potential impacts of platformization is an additional challenge which organizations must consider when considering a coop. While cooperatives have long been pursued by a variety of social movement actors to build alternatives to the dominant system, each movement brings different logics and orientations. This has been found to be true in the worker owned platform movement as well. Gormann evaluated food delivery platform cooperatives and collectives in Spain, France, and Brazil found great variation.³⁰ In Spain the platform cooperatives

²⁶ Supra note 2

²⁷ Ibid

²⁸ Figueroa, M., Guallpa, L., Tsitouras, G., & Wolf, A. "Essential but Unprotected: App-based Food Couriers in New York City." *Cornell ILR Worker Institute*, 2021.

²⁹ Supra note 2

³⁰ Gormann, R. "Rider Platforms?: Building Worker-Owned Experiences in Spain, France, and Brazil." *South Atlantic Quarterly*, 120(4), 2021, p. 839-852.

came out of the labor movement and billed themselves as ethical alternatives to the corporate apps. In France, he found some platform coops formed out of concern for promoting localism and environmentalism in the food system. Finally, in Brazil the platform cooperative was founded by feminists and LBGTQI+ activists who had faced discrimination on the job. The different movements took wildly different approaches and built very different business models attuned to their political motivations.

The labor movement, and the U.S. labor movement especially, might be particularly ill-suited to form platform cooperatives. This can be seen in the taxi industry where union backed efforts to build platform cooperatives in Philadelphia, Denver, and Austin faced great challenges in combining union aims with running a profitable enterprise.³¹ Ji argues that the bureaucratic “business unionism” of the U.S. labor movement failed to build class consciousness and democratic structures in these taxi platform coop efforts.³² Another issue is that in forming a cooperative, workers are transformed into owners. In the context of the gig economy this holds the potential of ceding their argument to the companies that platform workers are workers not contractors. Finally, given all the challenges discussed above, forming a platform cooperative is a lot of work and this effort could potentially divert attention from the unions primary mission of fighting the boss. Ultimately, the divergence between the two cases can be attributed to differences in the two organizations’ movement orientations.

Comparison of Cases

This section will compare two organizations in Brooklyn, New York servicing the Latinx immigrant community (Center for Family Life and Los Deliveristas Unidos/WJP) who both faced the prospect of forming a platform coop to understand why only CFL chose act on the idea. In evaluating this choice, they needed to determine whether doing so advanced their movement aims. These cases also had to contend with the classic issues of raising capital, heterogeneity, and institutional context. In the following analysis we compare the two cases along these four dimensions to highlight why CFL pursued a platform coop and LDU did not. First, this section introduces the cases. Second, the cases are compared based on the classic issues facing coop formation. Third, the issue of movement orientation is advanced and evaluated.

Overview of Cases

To fully understand these cases, we must evaluate their origins. Up & Go is a project of the Center for Family Life (CFL) based in Sunset Park Brooklyn, which is one of the largest Latinx neighborhoods in the City. CFL is a long-established social welfare organization which operates on a social work model. In 2006, CFL began exploring the potential power of building worker owned cooperatives to provide better pay jobs.³³ They quickly became an internationally renowned

³¹ Borowiak, C. & Ji, M., supra note 23

³² Ji, M. “Limitations of Business Unionism and Co-op Conservatism: A Case Study of Denver’s Taxi Driver Union-Cooperatives.” *Economic Analysis of Participatory & Labor-Managed Firms*. 18, 2018, p. 121-152.; Ji, M. Revolution or Reform? Union-Worker Cooperative Relations in the United States and Korea. *Labor Studies Journal* 41 (4), 2016, p. 355-376.

³³ Mancori, A., & Vicari, S. “A Cooperative Story N° 8 Up & Go.” New York, USA, *Aroundtheworld.coop*, 2020.

leader in the development of immigrant worker cooperatives primarily in the domestic work sphere: cleaning, childcare, and home care.

Following their initial success and growth in the coop movement, in 2015 CFL became interested in finding models to scale-up their cooperatives. While they wanted more workers to access member-ownership they were philosophically committed to keeping their cooperatives small, less than 25 people, to maintain productive coop democracy. They settled on two solutions: first they developed an innovative cooperative franchising model to promote quick replicability³⁴ and they began pursuing the scaling potential of platforms. Importantly, this meant CFL did not view their project as engaging in platform cooperativism but as exploring new tools to scale their existing coop models. This led to the development of Up & Go, an electronic booking system that was cooperatively owned. Funding was provided by the Robin Hood Foundation, Barclays, and CFL who had a contract from NYC's Worker Cooperative Business Development Initiative. Technical assistance was provided by CoLab Cooperative. Up & Go, unlike the worker cooperatives CFL had focused on incubating coops, is a coop of coops. It is jointly owned by five cleaning coops (as of publication of this article), most of which were started by CFL and they are actively recruiting additional cooperatives to join. Up & Go's member cooperatives primarily include immigrant Latina women primarily from Mexico and Central America. Each coop elects representatives to attend Up & Go membership committee meetings. Additionally, Up & Go members elect a board which is majority represented by member-owners but also includes outside experts in the development and operation of tech platforms and related issues. Up & Go hopes their coop of coops model will provide quickly scalability enabling other coops to gain the benefits of platforms. While they currently focus on cleaning, they remain open to expanding to other sectors in the future.

Los Deliveristas Unidos is an app-based delivery worker organizing project of the Workplace Justice Project (WJP). WJP is a Latinx immigrant workers center, which like CFL, is based in Brooklyn. WJP was founded in 2010 and has developed innovative organizing, workplace safety, and training programs in the day labor construction and domestic worker industries. WJP has grown tremendously and currently has 12,000 members. WJP has also been deeply engaged in mutual aid efforts in the community especially during Hurricane Sandy and the COVID-19 pandemic. During the pandemic WJP was operating a food bank and cash assistance program in the community. A large group of undocumented indigenous Central American app delivery drivers began coming to the food bank. WJP realized these workers were already deeply organized through various WhatsApp chat groups. The drivers complained that they were facing a rash of armed robbers for their expensive e-bikes on the empty pandemic streets of the City. WJP decided to take up their cause under the banner of Los Deliveristas Unidos. LDU's membership, in contrast to Up & Go, are primarily young Latino men from Mexico and Guatemala, many are indigenous, they have minimal formal education, and are recent immigrants. LDU through partnerships with other immigrant organizations is growing to include more South Asians and West Africans. Following a series of massive bike protests throughout the city and a year of organizing LDU got the City Council to pass a first in the nation minimum wage and work standards³⁵ for app-based delivery

³⁴ Yorra, E. "Social Franchise Cooperatives – a Tool for Scaling Social Justice: Detailing Systems and Structures." *Economía Social y Empresa Cooperativa MA*, Mondragon Unibertsitatea, 2018.

³⁵ The New York City Council passed a series of laws providing minimum work standards and protections. These included minimum payments (Int. 2294-A), standards of how workers can be paid (Int. 2296-A), bathroom access

workers.³⁶ During this organizing campaign LDU was approached by investors, technical advisors, and other activists about the possibility of building a platform cooperative as part of their organizing efforts. Ultimately, given their movement aims and WJP’s experience with forming cleaning coops they rejected the idea believing the endeavor would be too time consuming and would distract from their organizing efforts.

In comparing these two cases along the four core challenges facing immigrant platform cooperative efforts (table 1) it becomes clear why developing a platform was more appealing to CFL and their member co-ops than LDU. In line with Bunders et al.’s predictions³⁷ the conditions along the classic three issues (capital, heterogeneity, and institutional context) were more conducive to platform cooperative development in cleaning than food delivery. While this is true on the margin the difference was not great. Additionally, the context in the LDU case was more favorable than Bunders et al. found in their analysis of food delivery cooperatives generally. The capital problem was reduced by the offer of support from foundations, tech advisors, and potentially the City’s coop development program. Additionally, there is great interest from the restaurants in the City in developing alternatives. At the hearing the pass the LDU minimum standards bill, the small restaurant business associations testified that they were not only supportive but asked the New York City Council to include protections for them as well. The opportunity for collaboration is ripe. As found in Figueroa et al. there is less heterogeneity in the workforce than one might expect.³⁸ The size of the Latinx community in the industry alone could be large enough to build a base to launch a cooperative. Finally, the institutional context is rather favorable given the large amount of contestation and the City’s interest in supporting cooperatives. Instead, we find the greatest divergence in the two cases was in their movement orientations. We now turn to comparing these cases along each of these dimensions in detail.

Table 1. Comparison of the Challenges Facing Center for Family Life and Los Deliveristas Unidos in Forming a Platform Cooperative

Case Study Comparison		
Challenges	Center for Family Life	Los Deliveristas Unidos
Capital	Foundation and tech support (+) Industry and platform less complicated (+)	Foundation and tech support (+) Industry and platform complicated (-)
Heterogeneity	Most workers from Latinx immigrant community (+)	Most members from Latinx immigrant community (+) More diverse immigrant workforce (-)

for workers (Int. 2298-A), ensure workers are paid their gratuity (Int. 1846-A), limits on individual delivery distance and routes (Int. 2289-A), and requirements that apps provide delivery bags (Int. 2288-A). For bill summaries see the NYC Council Press release <https://council.nyc.gov/press/2021/09/23/2106/> .

³⁶ Wolf, A. “The Pandemic Revolt of New York City’s Immigrant “Small Business” Unions .” In *The Pandemic and the Working Class* eds., Steve Striffler & Nick Juravich. Pennsylvania: University of Pennsylvania Press, forthcoming.

³⁷ Supra note 2

³⁸ Supra note 28

Institutional Context	Dominant apps not contested (-) Local government supportive (+) Coops already exist (+)	Dominant apps contested (+) Local governments potentially supportive but not active (±) No existing coops (-)
Movement Orientation	Social Work (Coops compliment org culture and history) (+)	Labor Rights (Coops present contradictions to org culture) (-)

Responding to Challenges of Platform Cooperatives

Overcoming the capital requirements of starting any cooperative are great. Early proponents were hopeful that the relative affordability of platforms and the potential scaling effects would reduce these costs. CFL and LDU faced a similar situation in terms of having foundation funders and offers of technical support. LDU also likely could have benefited from the same City co-op funding which CFL used. LDU faced a greater uphill battle though in that the matching technology required in food delivery is more complicated. In cleaning, you have the customer, the app, and the cleaners. Up & Go's coop of coops adds coops to the mix. In food delivery you must also account for the restaurants. Additionally, food delivery requires immediate on-demand service requiring sophisticated geocoding technology. The more complicated matching hurdle raises the cost of the app but does not make it prohibitive. Up & Go benefited from being a coop of coops in reducing their costs. Their app did not replace the coops' existing back of the house operations, it simply aimed to enhance them. LDU was also concerned about some of the motives of those offering technical support and felt they did not have the time to properly evaluate them. Danny Spitzberg, who was a technical advisor to Up & Go and many other platform cooperatives, argues LDU's concerns are well placed, "Failure is when someone comes in and says I'm gonna do a platform coop. There are so many predatory start-ups taking advantage of the situation or workers or both. Keep in mind they are only offering tech solutions because we let work get this bad." The capital requirements were certainly higher in the food delivery platform case, but the offers of support made these issues potentially manageable.

In terms of worker heterogeneity CFL again had an advantage over LDU. In both cases the organizations could potentially draw on their embeddedness in immigrant communities. LDU though exists in an industry where a handful of other immigrant communities also make up a large segment of the workforce: Bangladeshi, West African, and Chinese. LDU has worked to build alliances with the other immigrant groups to help organize representing potential partners in coop formation. Heterogeneity is not just demographics but also effective democratic practices. Since CFL had a long history of building co-ops which made this prospect easier. Building these structures is often the greatest challenge, as Spitzberg explains, "Everyone wants to talk about platform innovation, but the tech is a solvable problem. It's bylaw innovation and how to build trusting relationships which is the hard part." Additionally, in forming a coop workers can no longer just think as workers, as Sylvia Morse, the former Assistant Director of CFL's Cooperative Development Program who managed Up & Go's development from fall 2016 - winter 2022, notes, "Setting pricing was the hardest part. To secure fair wages, Up & Go prices higher than informal independent workers or tech startups that gain market share by subsidizing losses with VC funding.

There is a constant back and forth between [members'] worker-hat and the owner-hat and when to put on which...members had different approaches and debated that." Up & Go had a history of addressing the democratic processes that come with opinion heterogeneity making this challenge easier to overcome.

Institutional context in these cases consists of three factors: app contestation, government support, and previous coop models. Bunders et al. emphasize the importance of contestation over existing apps in producing a beneficial context for platform coop formation.³⁹ Gig economy apps are widely contested in NYC. Taxi apps, food delivery, and even to a lesser degree cleaning apps have faced resistance from labor unions and workers' centers in the city. Labor organizing in these immigrant industries is typically not conducted by traditional unions but by immigrant workers centers.⁴⁰ Given immigrants marginalization under labor law, discussed above, in the early 2000s workers centers formed out of legal clinics and the labor movement to provide representation for immigrants who lacked formal labor rights or were in industries where these rights were hard to enforce. Both food service and domestic work in NYC have traditions of active worker center organizing. Labor organizing pushed the City to institute a first in the nation minimum wage for both taxi app and delivery app workers. The cleaning apps by contrast faced a less concerted organizing effort, although the National Domestic Workers United has expressed concerns and lobbied around these apps. In terms of contestation the conditions were likely more favorable in the food delivery case. NYC has been rather supportive of cooperatives in the city attempting to make them easier to start and the NYC Council has committed discretionary funding to support these efforts. Up & Go, through CFL, benefits from this City support. While the City was not explicitly active in supporting a food delivery platform it is likely LDU could have received this funding especially since the City had given similar funding to WJP in the past for their Day Labor hiring hall. Most importantly, in terms of context, is that CFL had a long history of building cooperatives. Up & Go was not building a platform coop from scratch but organizing existing coops to share resources through a platform coop. LDU in contrast would be building it all from the ground. Additionally, WJP had had negative experience with starting coops in the past discouraging further investment in the idea.

The Impact of Movement Orientation

The different organizations' movement orientations also impacted whether forming a platform coop was challenging. When social movements consider the option of forming a cooperative they must consider if their movement culture fits this task and how focusing on this task would impact their movement aims. CFL's social work culture and history complimented the organizational culture of cooperatives, as Morse described, "Coming from a social work background [CFL's] approach to coop development has a big focus on developing the group and the relationships in the group. The emphasis is on conflict resolution and understanding each other's resources and equity issues." She went on to note that she understands many reasons LDU may not have pursued a coop given the industry of outsourced delivery workers was largely new and growing, and added, "workers were already organizing around their relationship to these big gig work platforms to advocate for company policy changes and city legislative action, so a cooperative may not have

³⁹ Supra note 2

⁴⁰ Fine, J. R. *Worker centers: Organizing communities at the edge of the dream*. Cornell University Press, 2006.

been the best tool to organize their work or their advocacy” Similarly, as Spitzberg argued that adopting a platform was not a radical change for the existing cleaning coops, “Up & Go knows the democratic history of what is required. They knew what it is like to run a coop. They just felt it’s a cool tech that can help our coops.” CFL movement orientation was an existing commitment to co-op formation and platforms seemed like a tool to scale their aims.

In contrast, the labor rights orientation of LDU made a coop a harder organizational fit. Additionally, WJP’s experience organizing cleaning coops in the past discouraged the idea. They found in organizing the cleaning coops that they transformed organized workers into owners which undermined the solidarity and philosophy of their movement. As Gualpa explained of LDU, “we are workers’ center...we need alternatives in how workers can win...the economy and businesses are operating differently so organizing needs to evolve...maybe coops, hiring halls, health and safety committees but for LDU, right now, we are a workers’ center.” While for CFL platforms were viewed as a tool for their existing coops, LDU did not trust that a coop was the right business model or formula for their aims. Turning gig food delivery workers into owners through a coop could as have undermined movement goals. If the coop structured owners as independent contractors LDU risked supporting the app companies’ claims that the workers are independent contractors. If instead the coop directly employed the Deliveristas it again raises the issue of immigration status. For LDU platform cooperativism presented direct challenges to their organizational culture and movement aims.

Conclusion

This paper aimed to provide movement context to our understanding of the challenges facing gig workers in forming worker owned cooperatives. Utilizing the case of two similarly situated organizational projects, Center for Family’s Up & Go platform and the Workers’ Justice Project’s Los Deliveristas Unidos campaign, serving the Lantix immigrant community in New York City we can explore how movements social construction of the challenges they face along with movement aims impacted their divergent decisions to forming a platform cooperative. The literature on platform cooperatives had highlighted the import challenges of low-wage gig workers in raising the capital to form a coop, the issues of worker interests and geographic heterogeneity in producing a productive democratic co-op structure, and the problem of varying institutional contexts. While on the margins Up & Go faced more supportive conditions on these issues LDU was still relatively well positioned to address these issues.

Instead, this paper highlights the importance of movement orientation in understanding their divergent decisions. Movement orientation impacted whether the two organizations had a culture which complimented platform cooperative formation and whether creating a coop would advance movement aims. Up & Go, which was formed by CFL a social service organization with a social work culture and a decade of experience developing models of worker cooperatives was better situated to form a platform cooperative. LDU, which was formed by WJP a workers’ center, had a labor rights orientation which was better suited to fighting the boss than becoming the boss. The issues apparent in this transformation during coop formation had undermined WJP’s organizing efforts in a past. Finally, building a platform coop seemed counter to LDU’s aims as forming a coop could politically cede the issue of employee misclassification to the app companies and generally seemed like a distraction to the massive task of organizing the industry.

Conversations about the possibility of forming platform cooperatives often focus on the exciting potential of cheap technology reducing the cost of worker ownership and the network effects of the internet making platforms a scalable coop model. This paper highlights that co-ops are created by movements who bring unique organizational histories and goals to the project. Movement cultures and aims can be just as important as capital to successful cooperative formation. This paper also notes that platform cooperativism is not an entity in of itself but instead platforms are one tool that at times compliment movements oriented to building coops. Additionally, in many major cities around the world, like New York City, this gig work, and service work generally, is performed by immigrants. While activists have viewed coops as a means to build good jobs for marginalized immigrants the reality for a worker of being an immigrant raises challenges which impacts the context and logics of coop formation. These issues of movement outcome and immigration cast a completely different light on the power dynamic at play when foundations, coders, and academics offer to help gig workers build a platform cooperative.