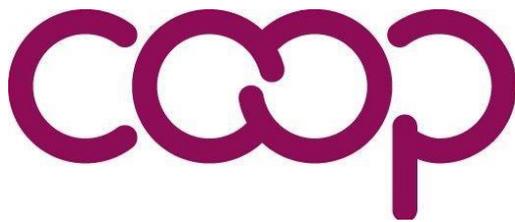


ICA CCR EUROPEAN RESEARCH CONFERENCE 2022

“Rethinking co-operatives: From local to global and from the past to the future”

13-15 July 2022, Athens Greece

Organizers:



**International
Co-operative Alliance**
Committee on
Co-operative Research



ARISTOTLE
UNIVERSITY OF
THESSALONIKI



ΙΝΣΤΙΤΟΥΤΟ ΕΥΝΕΤΑΙΡΙΑΤΙΚΩΝ ΕΡΕΥΝΩΝ

& ΜΕΛΕΤΩΝ (ΙΣΕΜ)

Title of abstract: Silicon law of oligarchy or democratic disruptor? Patterns of member participation in the decision-making of digitally organized worker cooperatives.

Damion Bunders, Rotterdam School of Management, bunders@rsm.nl

Abstract:

Worker cooperatives strive for workplace democracy, but are often faced with unequal participation in decision-making processes by members. Captured in notions like the ‘iron law of oligarchy’ or ‘degeneration thesis’ is the expectation that worker cooperatives eventually fail or have all power concentrated at the top. Because participation in decision-making involves democratic transaction costs, a typical pattern in worker cooperatives is that of a participation elite and inactivity among other members. Such inequality in member participation is opposed to the principles and values of (platform) cooperatives. Previous literature has suggested various ways of resisting power concentration, including representative selection via sortition instead of elections, greater direct democracy, and cooperative education. Neither of these remedies have proven to solve problems of power concentration completely.

Information technology lowers the transaction costs in collective decision-making, such as by increasing information availability on decision options, simplifying the process of voting, and broadening the opportunities for members to monitor the democratic process. This raises the question whether inequalities in member participation can also be found in digitally organized worker cooperatives, or that digital mediation successfully facilitates collective decision-making on larger scales, for less committed members, in more loose-knit groups, and among members of diverse skill levels.

To assess patterns of member participation in the decision-making of digitally organized worker cooperatives, I employed survey data ($n = 418$) from members of a network of four Italian worker cooperatives in the cultural, education and IT sectors which digitally mediate all collective decision-making. The results show that members with lower affective commitment towards their cooperative and less social capital among other members are less likely to participate, but I find no effect of cooperative size and human capital. Hence, this study provides nuance to calls for cooperatives and use of IT by worker cooperatives to expand workplace democracy.

Keywords: Worker cooperatives, platform cooperatives, degeneration, workplace democracy, member participation