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Every so often the question of co-operatives is raised in the revolutionary socialist movement. Optimistic positions suggest that co-ops can form the basis for replacing capitalism with a new economy based on solidarity and labour where workers have ‘control’ and even suggest they are a vital part of revolutionary strategy. These positions have both contemporary and historical antecedents and the arguments still continue. However the positive features of cooperatives are still no replacement for revolutionary strategy and building working class power against capitalism.

Debates over the role of cooperatives in revolutionary strategy can be traced back to the 1850s and the First International when Mutualists like Pierre Joseph Proudhon and the Communard Charles Beslay advocated co-operative based economies. They believed that as workers accumulated their own funds and invested them together co-operatives could slowly come to replace individually owned capitalist enterprises. While they proposed a variety of schemes to make this come to fruition, the reality was that capital could not be adjusted to serve the working class. The Mutualists reformist positions were challenged by people like Joseph

Dejacque and Eugene Varlin, who understood that capital must be confronted and overthrown by militant, armed working class struggle.

In Australia today the main cooperative enterprise enthusiasts point to is Earthworker. Earthworker makes 'renewable energy appliances and components' and sees itself as 'part of ensuring a just transition for communities affected by the move from fossil fuels to renewable sources of energy…' This is at least true of the initial Earthworker project, which took over a factory that was shut following the end of the coal power industry in the LaTrobe Valley, Victoria. Earthworker has since expanded into cleaning services and is open to expanding into new projects.

Earthworker notes that they 'believe social and environmental exploitation are intertwined, and that the problems of climate change, job insecurity and growing inequality must be tackled simultaneously, through greater grassroots economic ownership.' However the question must be asked just how far 'greater grassroots economic ownership' reaches against the gigantic power of the fossil fuel industry and international corporations. The power of a few workers united in a small enterprise pales against organised labour, the only force capable of reckoning with capital. Historically even when workers pool their resources and attempt to create 'alternative' economies these end up either failing or being forced to adapt to traditional business practices in order to be competitive.

None of this is to disparage the efforts nor the people involved in an enterprise like Earthworker. The birth of Earthworker was an organic response to the loss of jobs and filling an open niche in the market. But parts of the radical left in Australia and its support for cooperatives still has to be critiqued. In Victorian Socialists latest program, the section on 'Workers and Unions' presents a policy that aims to 'introduce measures that encourage worker control and participation in decision making in the workplace..' via legal reforms that ensure workers receive governance rights, a share of

profits and the additional measure of imposing higher payroll taxes on non-cooperative businesses. They would also offer tax concessions to cooperatives encouraging them as the 'normalised form of private enterprise'. As though the working class benefits from private enterprise and more competition![1] Market socialism may result from an imperfect or aborted attempt at revolution, but it is not something to be actively fought for.

Such ideas are really irrelevant in the current context of economics and class struggle. Capitalism has already developed such immense productive forces that a future revolution should take seriously the task of abolishing production for exchange value. Commodities produced for a market still require the worker to be subject to the lack of rational planning. As a result they must 'discipline' themselves by accepting wage cuts and increases in the intensity of work in order to maintain a competitive status on the market. Even if these decisions are taken democratically there is no real overturning of capitalist relations.

As Karl Marx noted in the Critique of the Gotha Programme, co-operatives, established in struggle by the conquest of capitalist enterprises have 'value only insofar as they are the independent creation of the workers and not proteges of either the government or bourgeoise'. Thus, a transitional programme of a political party that wants to integrate workers into the management of the state and capitalist economics is not revolutionary. In an 1897 article in the newspaper L'Agitazione "the experimental anarchist colonies" Errico Malatesta also noted the contradiction that those living or working in co-operative relations must necessarily discipline themselves in order to maintain profit, thus supplying cheap labour to the market which undercuts the rest of the proletariat.

[1] This is made more absurd by the policy of a Peoples Bank, which would offer interest free loans to cooperative enterprises. Proudhon, rather than Marx, appears to have won the day.

The question of the positive or negative aspects of co-operatives is thus a moot one. Even if the labour of individuals might be slightly transformed by having a vote over the methods and aims of production, the very nature of co-operatives as institutions for the production of commodities renders them a revolutionary dead end. Even enterprises seized by workers during struggle and turned to cooperative production face a dead end if the broader struggle across society does not continue to move forward. So while intertwined, the subjective and objective conditions of capitalist crisis and socialist consciousness are raised more by ongoing conflict and class struggle against existing conditions than by cooperative production.

Two small examples can exemplify the revolutionary position. During Italy's *Biennio Rosso* workers by their hundreds of thousands took over the factories in northern Italy. The revolutionary anarchists in the Italian Anarchist Union (UAI) and Italian Syndicalist Union (USI) noted that the occupied factories in the hands of the workers itself was not inherently a revolutionary situation. The capitalist state must be challenged and overthrown. They argued that workers should re-start production in order to keep everyone fed, revolution is not made overnight after all. But the Italian workers needed arms and organisation to push the struggle further. Unfortunately they were let down by other left-wing organisations, who refused to take the strikes further or organise to arm the workers, including the majority of Marxists.

In 1969 Uruguay's repressive government introduced labour laws aimed at breaking militant unionisation across the meat processing industry. The major co-operative El Cerro Refrigeration Establishment supported the reforms in efforts to also break the unions. In response unions heavily influenced by the Anarchist Federation of Uruguay (FAU) established a camp outside the co-operative, launched strikes across the industry and occupied their workplaces. Co-operatives are often presented as a possible 'supplement' to workers struggle. Here they openly undermined

the workers movement. So while El Cerro Refrigeration undermined workers solidarity, the FAU responded through the Workers-Students Organisation (ROE) to raise funds, establish roadblocks and fight the police. The ROE was a strategic mass organisation used as a real supplement to the class struggle, it mobilised social sectors outside of the unions to help escalate the class struggle. These tactics were part of a long term strategy to develop class consciousness and build confrontation with the state and preparing for the overthrow of capitalism.

The historically optimistic position that co-operatives could build an alternative to capitalism or play an important role in transition is even more redundant today. Instead revolutionaries have a responsibility to develop and commit themselves to strategies appropriate to overturning the state and capital. Co-operatives might play positive roles in communities where capital does not supply needed goods, or they may be established by the conquest of a capitalist workplace during a period of intense class struggle. These are entirely reasonable situations, but revolutionaries should be with the mass of workers helping to organise struggle and push the class war forwards. They should also not be aiming for the state to integrate workers into administration. Meaningful workers' conquests will be the result of struggle from on shop floor, through forms of direct action that directly confront capital. Socialists who turn to working in co-operatives may very well be socialists in heart and intention, but they are not pursuing a revolutionary strategy.