

A COLLECTIVE WORK AGENDA FOR THE DIGITAL ECONOMY

How do we get there?

April 2024

**FRIEDRICH
EBERT** 
STIFTUNG

SUMMARY

- **The new digital economy has led to profound changes in working conditions. The world of work is characterised by pervasive surveillance and data collection, misclassification, a degradation of workplace standards, and increasing precarity.**
- **These changing dynamics offer a benchmark by which we could consider what types of intervention workers need and deserve.**
- **The creation of a decent work agenda in the digital economy should be based on the needs of workers instead of bearing the imprint of more general public policy structures that often center on consumers and individuals.**

ABOUT THE AUTHOR

Aiha Nguyen is the Program Director for the Labor Futures Initiative at Data & Society Research Institute, where she directs and guides research and engagement. She contributes a practitioner's perspective to this role, having worked for over a decade in community and worker advocacy and organising. Her research interests lie in those areas where labour, technology, and urban studies intersect.

INTRODUCTION

Many of us have encountered a platform worker at some point in our lives, whether it was to order a ride using a mobile app or crossing paths with a food delivery worker speeding food from a nearby restaurant to a customer. During the pandemic, platform workers, like food delivery workers, became hyper-visible, with people in quarantine depending on delivery drivers to bring them basic necessities (De Freitas-Tamura & Singer, 2020). Since then, the number of platform workers has continued to surge. According to a 2021 Pew Charitable Trust survey, 16 percent of Americans stated they have earned money through an online platform (Anderson, McClain, Faverio & Gelles-Watnick, 2021). In Europe, an estimated 28 million workers found employment through a digital platform in 2022, with the Council of the European Union expecting this number to soar to 48 million by 2025 (EU Rules on Platform Work).

Among more traditional occupations, employers are also using digital tools like hand-held devices, communications software, and applications to monitor and manage work (Kellogg Insights). The »sharing economy« may have begun with home-sharing and ride-sharing, but today platform workers engage in a wide range of occupations, including delivery work, house cleaning, customer service, and content annotation. Numerous other occupations are susceptible to platformisation because there is an economic incentive for corporations to follow this model of work organisation.

NEW CONDITIONS OF WORK

The movement of many types of work onto platforms and reliance on algorithmic management is changing working conditions. This change has had a number of impacts on workers who find themselves unprotected by current regulations. Yet, recent debates on how to best protect people in the digital economy do not always align with the concerns and needs of workers.

The new digital economy has led to profound changes to working conditions. The world of work is characterised by pervasive surveillance and data collection, misclassification of workers as independent contractors, a degradation of workplace standards, and increasing precarity. These changing dynamics offer a benchmark which we could leverage to consider what types of interventionary action workers need and deserve.

In many industries today, employment is monitored and »datafied« as the primary means by which workers are managed, controlled, and judged. Research by trade unions throughout the world have also demonstrated that even in occupations where work has not yet been platformed, surveillance is pervasive and used as a means to discipline workers.

Workers are managed by opaque algorithms designed to withhold information from workers that they could otherwise use to make decisions about their work. This opacity and »rule by algorithm« can also serve as a means of obscuring accountability for working conditions. Algorithms can automate and make decisions about the assignment of tasks, hiring, scheduling of shifts, pace of work, and performance (Kellogg, et al, 2020, Vallas and Schor, 2020).

Research by academics and practitioners from across the globe has documented the ways in which algorithmic management has led to an intensification of work, increased instability and insecurity, and a transfer of risks to workers as a consequence of automated decision-making systems and shirking of employer responsibility (Gutelius & Pinto, 2023; Mateescu, 2021; Wood & Lehdonvirta, 2023; Grohmann et al, 2022).

Platform work in particular is characterised by the treatment of users of the platform (i.e. workers) as having the status of independent contractors, even in situations where they have little autonomy and employers have direct control over employees' working conditions. This misclassification strips workers of important protective rights because existing laws regulating hours, wages, working conditions, and the right to collective bargaining are limited to workers having the status of employees.

THE REGULATORY RESPONSE

However, regulations and policies relating to digital and data rights, at least in the U.S., are often based on the principles of individual responsibility, consumer protection, and preserving competition. These principles are not always in line with the needs of workers.

Data rights legislation proceeds from the premise that people are individual consumers and that they are the subjects upon whom rights are conferred. In Europe, the General Data Protection Regulation (GDPR) affirms that these rights are individual rights, while in California, data protection explicitly names consumers as the beneficiaries (the U.S. does not have federal data protection laws at present). Framing of

such rights as individual ones often goes hand in hand with the expectation that individuals bear the responsibility for protecting their own data privacy. Therefore, data rights have been laid down as the right to be informed, right to have access and right to deletion, while in Europe the GDPR grants individuals the right to correction. From a workers' perspective, however, many have little choice in the decision to use technology. Moreover, it is the collective data of all workers that is of greatest value to employers. Productivity metrics and targets that workers need to meet are based on individual performance and also benchmarked against all workers.

In addition, the U.S. Federal Trade Commission (FTC) has approached worker protection from an angle similar to consumer protection. In a policy statement regarding gig work, the FTC remarked that »protecting these workers from unfair, deceptive, and anticompetitive practices is a priority« (FTC, 2022). While this arguably gives the FTC considerable latitude, it has tended to view data privacy as a necessary measure with which to counter monopolisation that threatens to stifle competition. The relationship and potential harm caused by monopolisation of consumer data is also a concern in Europe as well, even if this is not the primary angle from which regulators approach this issue.

This can leave smaller employers and technology developers from the scope of scrutiny by regulatory bodies (Negron, 2021). However, there has been a trend among advocates and regulators in the U.S. towards a broader way of thinking and to recognise other kinds of potential harms, bringing the U.S. more in line with European regulatory frameworks.

Tech companies would prefer that laws recognise everyone as consumers, or users (which is how most terms of use define people) of their technology. In fact, this is an argument employed by companies like Uber when they maintain that they have no responsibility toward drivers as an employer. Shifting towards a collective framework for decent work in the digital economy allows us to focus more on the impact of algorithmic decisions, redefining who is accountable, and shifting power.

Take for instance the calls for workers to be involved in the process of vetting new technologies before they are integrated into workplaces. Giving individual workers the opportunity to provide input or comment does not guarantee that these changes will be adopted, even if a majority of people are dissatisfied with a certain feature. Moreover, when concerns are addressed, solutions could be haphazardly or idiosyncratically applied instead of recognising the issue as a systemic one.

Another example is workers »gaming« the system in order to exert more control over their work outcomes. Workers believe that having access to their own data would allow them to be more successful on platforms. While those who can »game« a system state that they have achieved greater success, this individual action often means that another worker may be negatively impacted, and ultimately does not change

the practice of algorithmic manipulation of workers (or consumers). Workers often turn to third-party apps, like Para or Uber-Cheats to gather vital information to help drivers understand their pay. In the case of Uber-Cheats, the program provided evidence that driver mileage and thus pay, was under-calculated. Some drivers have expressed that they would use this information to participate in class action lawsuits on behalf of all drivers if evidence of widespread fraud theft had occurred (Murgia, 2024). Such incidents demonstrate that workers seek ways to act collectively. Unfortunately, platforms sometimes discourage or outright ban these apps.

CONCLUSION

Technical systems scale and automate decisions, mostly for the benefit of employers, but these can also lead to exploitation on a large scale. Solutions for a decent work agenda must also consider workers as a class and the collective rather than individual impact. The challenge that we are addressing is not to just render visible the exploitation that technical systems can make possible, but provide real pathways for decent work for all workers whose jobs could be platformised. Fortunately, policy efforts are catching up with these transformations. Passage of the EU Platform Work Directive lays down a presumption of an employment relationship with clear and strict requirements that platforms ensure algorithmic transparency, greater human oversight for automated decision-making systems, and initiates protective measures for certain personal data (European Parliament, 2023). This new directive is an important step towards recognizing them as a class with similar working conditions and providing basic protections. Moving forward, regulations that provide workers with collective data that can shed light on corporate and algorithmic decisions, such as the example of UberCheats would provide real transparency and a lever with which to change power dynamics.

CONTACT

Friedrich-Ebert-Stiftung

Competence Centre on the Future of Work
Cours Saint Michel 30e | 1040 Brussels | Belgium

futureofwork@fes.de

<https://futureofwork.fes.de/>

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung. Commercial use of media published by the Friedrich-Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

Commercial use of all media published by the Friedrich-Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

REFERENCES

- Anderson, Monica, Colleen McClain, Michelle Faverio, Risa Gelles-Watnick. 2021. The State of Gig Work in 2021. Pew Research Center. December 8, 2021: <https://www.pewresearch.org/internet/2021/12/08/the-state-of-gig-work-in-2021/>
- Council of the European Union, EU Rules on Platform Work. January 24, 2024: <https://www.consilium.europa.eu/en/policies/platform-work-eu/>
- De Freytas-Tamura, Kimiko, Jeffrey E. Singer. 2022. »The delivery workers who risk their health to bring you food«. The New York Times. March 19, 2020: <https://www.nytimes.com/2020/03/19/nyregion/coronavirus-nyc-delivery-workers.html>.
- European Data Protection Supervisor. n.d. Rights of the Individual. European Union: https://edps.europa.eu/data-protection/our-work/subjects/rights-individual_en
- European Parliament. 2023. Platform work: deal on new rules on employment status. December 13, 2023: <https://www.europarl.europa.eu/news/en/press-room/20231207IPR15738/platform-workers-deal-on-new-rules-on-employment-status>.
- Federal Trade Commission of the United States (FTC). 2022. Policy Statement on Enforcement Related to Gig Work. September 21, 2022: <https://www.ftc.gov/legal-library/browse/policy-statement-enforcement-related-gig-work>
- Grohmann, Rafael et al. Platform Scams: Brazilian workers' experiences of dishonest and uncertain algorithmic management. *New Media & Society*. 2022; Vol 24, Issue 7 <https://journals.sagepub.com/doi/abs/10.1177/14614448221099225>.
- Gutelius, Beth, Sanjay Pinto. 2023. Pain Points: Data on Work Intensity, Monitoring, and Health at Amazon Warehouses. Center for Urban Economic Development, University of Illinois Chicago: https://cued.uic.edu/wp-content/uploads/sites/219/2023/10/Pain-Points_Final_Oct2023.pdf.
- International Trade Union Confederation, <https://www.ituc-csi.org/>
- Kellogg, K C et al. Algorithms at work: The new contested terrain of control. *The Academy of Management Annals*. 2020; Vol. 14, Issue 1: 366-410
- Kellogg Insights. Kellogg School of Management at Northwestern University. Companies now have many tools to monitor employee productivity. When should they use them? <https://insight.kellogg.northwestern.edu/productivity-monitoring>
- Mateescu, Alexandra. 2021. Electronic Visit Verification: the Weight of Surveillance and the Fracturing of Care. *Data & Society Research Institute*: <https://datasociety.net/library/electronic-visit-verification-the-weight-of-surveillance-and-the-fracturing-of-care/>.
- Madhumita Murgas, »The delivery driver who took on his faceless boss,« *Financial Times*, March 15, 2024, <https://www.ft.com/content/5c72d938-5d17-4600-a2e4-1cc20d3f9de1>
- Negron, Wilneida. 2021. Little Tech Is Coming for Workers. *Coworker.org*: <https://home.coworker.org/wp-content/uploads/2021/11/Little-Tech-Is-Coming-for-Workers.pdf>.
- State of California Department of Justice, Office of the Attorney General. 2023. California Consumer Privacy Act, May 10, 2023: <https://oag.ca.gov/privacy/ccpa>
- Vallas S., Schor J. What do platforms do? Understanding the gig economy. *Annual Review of Sociology*. 2020: Vol 46; 273-294, <https://www.annualreviews.org/doi/abs/10.1146/annurev-soc-121919-054857>
- Wood, Alex J., Vili Lehdonvirta. 2022. Platforms Disrupting Reputation: Precarity and Recognition Struggles in the Remote Gig Economy. *British Sociological Association*. Volume 57, Issue 5: <https://journals.sagepub.com/doi/full/10.1177/00380385221126804>.
- Van Doorn, Niels. n.d. Platform Labor Research Project: <https://platformlabor.net/research-team/niels-van-doorn>.