Disrupting "Business as usual": COVID-19 and platform labour

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Things are bad right now and they will probably get worse in the future. Once the global pandemic caused by COVID-19 is finally under control, the afterlife of this public health crisis is likely to have a devastating impact on our national and local economies for years to come. But not everyone will be affected in the same way and to the same extent. We have already witnessed how the pandemic has brought long-standing inequalities with respect to income and wealth distribution into sharp relief. Some social groups have access to the resources (e.g. time, space, capital, influence) necessary to weather this crisis, or even make a profit from it, while many others scramble to protect their lives and livelihoods. In many ways, COVID-19 intensifies and accelerates these inequalities and will ultimately push them to a breaking point, a point that even conservative governments have been trying to steer clear of by introducing economic rescue plans.

Importantly, the ongoing platformization of labour and livelihoods embodies a similar logic of intensification and acceleration. While the term “disruption” has been overused—and poorly describes the economic and social impacts that platforms like Uber, Airbnb, or Deliveroo are having—we nevertheless think it is safe to say that these impacts are significant. Platform companies are reorganizing how people work and make a living, and how citizens and their governments manage and take care of others. Emerging in the wake of the 2008 recession, they have exacerbated the unequal distribution of opportunities and risks along lines of class, gender, race, and nationality—even when they claim to empower working people.

Over the past few weeks it has become clear that things are no longer ‘business as usual’ for these companies, as they are not only facing new challenges but seizing opportunities that have arisen from the current crisis. Meanwhile, we are seeing new local platform-based initiatives springing up, driven by networks of citizens as well as private organizations aiming to assist the most vulnerable members of their communities.

Various news outlets have reported that the popularity of on-demand delivery services has grown massively in cities across the globe, especially in large metropolitan areas now dealing with increasingly severe lockdowns. In New York City, for instance, couriers for food delivery services have been in high demand.

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platforms like DoorDash and Caviar are facing an ambivalent situation. Whilst workers realize that their services are more needed than ever, at the same time they are worried about their health and safety because these platform companies offer no proper protections or insurances to independent contractors. While many workers take pride in their job and half-jokingly praise the empty streets in Manhattan, they also feel they should not have to invest in protective gear. Quite a few couriers warn that social distancing is often impossible when waiting at a restaurant with other delivery workers.

Although most delivery companies have by now arranged their own financial assistance programs for couriers who get infected or are required to self-quarantine, these initiatives generally offer relief up to just 14 days and require them to submit documentation that is difficult to obtain in times of crisis. With such high application thresholds, it is unclear how many couriers have gained access to these emergency funds, which appear to be little more than a public relations strategy.

Beyond these limited reactive measures, which force couriers to keep working until they are physically or legally unable to work, companies like Uber, DoorDash, and Deliveroo continue to disavow responsibility for their workforce by fighting reclassification legislation that would force them to provide a more comprehensive safety net. Instead, Uber’s CEO has recently petitioned the US Federal government to step in and provide the protections America’s new first responders now need more than ever. In fact, he recently got what he wanted, which may have negative implications in the future.

The abovementioned companies, in tandem with Amazon, are primarily focused on expanding their delivery markets by further rolling out and diversifying their outsourced logistical services. NYC’s ride-hailing industry is taking a big hit due to COVID-19, which is also wreaking havoc on the restaurant and hospitality industry. In response, drivers and restaurant workers are turning to delivery platforms to salvage part of their income, while Uber and Amazon are exploring the possibility of delivering test kits in the near future. Uber and Lyft are also trying to capitalize on an increased need for the private transportation


of vulnerable people and critical goods through their Uber Health and LyftUp initiatives, respectively.⁸

Meanwhile, DoorDash is partnering with NYC’s government to deliver food to “medically fragile students,” and has also launched a “package of commission relief and marketing support” for new and existing partner restaurants.⁹ DoorDash is investing heavily in COVID-induced market growth. The company allows new restaurants to sign up for free and pay no commissions for 30 days, and it creates priority access for restaurant workers looking to start as Dashers. Across the Atlantic, the situation in Amsterdam and Berlin looks a bit different. While delivery companies in these cities are also signing up scores of restaurants that have had to close their doors to dining customers, couriers working for Deliveroo, TakeAway, and/or Uber Eats are not yet seeing a similarly high boost in orders. Neither are they getting the tips or bonus incentives one may hope for during this crisis.

In Amsterdam, couriers who have a financial buffer are staying home as much as possible, particularly students for whom the pay-outs are not worth the risk. Still, the streets continue to fill with food delivery workers, many of whom are immigrants with little choice but to keep working regardless of how bad the circumstances get. Other sources of income have mostly been discontinued and, like their peers in NYC, they are only receiving standard emails and notifications from platform companies warning them to keep their distance and fulfil the logistical promise of contact-free delivery. That this promise is a fantasy becomes painfully clear when picking up an order at an otherwise closed McDonald’s restaurant, where more than a handful of waiting couriers converge around the door each time it opens wide enough to push the next bag of fast food through.

Another thing we are not yet seeing in European cities is the kind of crisis-driven service diversification and public-private partnerships that platform companies are currently experimenting with in the US. This might soon change, however, as Deliveroo, JustEat, and Uber are allegedly all in conversation with the British Government about providing delivery support to elderly and vulnerable people.¹⁰ Due to the conjunction of an increased public need for logistical solutions and a decreased demand for ride-hailing services across Europe, Uber may be looking for similar ways to reallocate its drivers in other countries.

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⁹ @NYCMayor, ‘We’re also partnering with @DoorDash to get food to the homes of medically fragile students. No child will go hungry. Not on our watch.’, Twitter post, 21 March, 1:22 AM, https://twitter.com/NYCMayor/status/1241158218396708865; Tony Xu, ‘Supporting Local Businesses and Communities in a Time of Need,’ DoorDash, 17 March 2020, https://blog.doordash.com/supporting-local-businesses-and-communities-in-a-time-of-need-41c074f2bc03.
Ride-hailing is not the only segment of the gig economy to be negatively impacted by COVID-19. Due to mandatory social distancing and home quarantine measures, domestic cleaners working through platforms such as Handy and Helpling are losing most of their income. In the Netherlands, for instance, Helpling bookings are down 40% and the cancellation rate is expected to rise to 50-60%.\(^{11}\) Cleaners in Amsterdam—mostly immigrants—are facing difficult times, since most of their clients have asked them to stay away until further notice. One cleaner said she lost about 1,200 euros over the last two weeks and is now fully dependent on her partner’s income. When asked whether she had checked her eligibility for financial assistance—which the Dutch government recently made available to independent contractors hit by the COVID-19 crisis—she admitted having no idea such a rescue program existed, let alone if she would qualify. Her response highlights the vulnerability of migrant gig workers, who often do not master the native language and have trouble accessing information pertinent to their livelihood. Even when access is obtained, navigating the red tape in a foreign bureaucracy can be exceedingly difficult.

In conclusion, the pandemic is impacting the gig economy in two significant ways. First, it accelerates the ascendency of on-demand delivery as the dominant and most rapidly expanding service market, at the expense of ride-hailing and domestic cleaning. Secondly, it intensifies gig platforms’ experimentation with public-private partnerships and forms of service provision that cater to special needs populations. By seeking new ways to support the social reproduction of vulnerable consumer groups during a time of crisis, while continuing to discard the reproductive struggles of their workforce, platform companies are leveraging this public health crisis in a bid to become increasingly infrastructural. That is, COVID-19 generates a state of exception that offers companies a window of opportunity to test-drive their desired scenario of becoming privatized digital utilities that control and monetize critical data flows.\(^{12}\) The question that remains is, to what extent will this state of exception become the rule?

References


@NYCMayor, ‘We’re also partnering with @DoorDash to get food to the homes of medically fragile students. No child will go hungry. Not on our watch.’, Twitter post, 21 March, 1:22 AM, https://twitter.com/NYCMayor/status/1241158218396708865


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11. THE ROLE OF A GIG-WORKER DURING CRISIS: CONSEQUENCES OF COVID-19 ON FOOD DELIVERY WORKERS IN SOUTH INDIA

SHYAM KRISHNA

As the COVID-19 crisis unfolds in India, it is clear that the country’s largely informal workforce is facing the brunt of the impact. The workers in the growing Indian gig-economy, particularly food-delivery workers, are heavily affected. Confronting severely reduced income, they face the danger of possible exposure to infection during their daily work. In the early part of this year as the impact of COVID-19 was barely surfacing globally, I was working as a food delivery worker in south India while conducting a self-ethnographic research project. Based on both my experience working in food delivery and my continuing engagement with workers who are currently active, in this chapter I explore the impact on the gig-workers, and reflect on some of the consequences of the crisis.

Even in normal times, food delivery workers assume enormous risk on behalf of both restaurants and the customers. They are constantly exposed to risks such as dangerous road traffic and harsh weather conditions. These risks have been compounded by the current crisis, in which some measures taken to protect the general public adversely affect the workers. Under isolation efforts, safety is paramount, and ‘contactless’ deliveries are becoming the norm. But this means that the workers themselves continue to take on risk during this crisis and are seen by companies and governments as a potential solution for delivering help to those affected by COVID-19. In these extraordinary times, the government has also encouraged the ‘citizen’ use of food delivery platforms. Both as a rhetoric and as a policy, this is a problematic nexus between the state and digital platforms that neglects to support workers. The unfortunate counterintuitive impact of governmental controls, such as lowering the number of operating hours for restaurants and shops, is that without due protection, such controls force the food delivery workers to queue up in the short time the busy locations operate. This heightens the workers’ risk of social contact and infections, which they shoulder for customers. One of the workers I interviewed sums this dynamic up by saying that this crisis highlights the absence of actual care and accountability for the workers that was


expected of digital platforms and the state. They report that efforts taken to provide personal protective equipment to workers are inadequate. Many reportedly continue to purchase their own masks and gloves. Such efforts to improve worker safety have not been made mandatory or provisioned by the state, and similar stories are emerging from cities across India.⁴

Food delivery workers report that the 60% reduction in volume of orders reported on food delivery platforms has greatly reduced their income.⁵ On top of unfair work conditions, the workers report that platforms continue to control them algorithmically by imposing daily targets with lowered rewards, forcing the few active workers to embark on longer delivery trips.⁶ These trips may now be of more than 10 kms, double their driving distance during normal times. But now, riding across the city on a scooter also means navigating road blockades and encountering police, with whom interactions can be very risky.⁷ Further, in responding to the current crisis, digital platforms, encouraged by the government, have taken to introducing or ramping up delivery of medicines and groceries using the same set of workers.⁸ These newer services are both untested and demand increased effort from workers, who continue to be compensated only at the same level as for regular food delivery. As one worker mentions, queuing up and picking up groceries can take 2 hours, but they are paid the same as a food order delivery that used to take as little as 15 minutes. Especially in a crisis, this situation is ripe for state intervention to impose the digital platforms to guarantee a “per hour pay” structure for these workers and with mandated perks for additional risk efforts like queueing up and long-distance rides.

While a structured response that guarantees pay and protection to workers is still yet to be announced, digital platforms have resorted to donation- or charity-driven responses, even as they seek governmental bailout.⁹ The largesse of the platforms is performed by asking the customers to provide tips and donations to affected workers. Funds are also collected by platforms which are raised by future facing subscriptions that lock customers to platforms. In

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either case, the commercial nature of the platform and the relationship of these workers to the platforms does not see any intervention. In fact, the workers feel efforts such as ramping up subscription services, introducing grocery deliveries without changing the pay, and efforts of charity meant for workers will only ensure the commercial future of the platforms and not the future of the workers themselves. They point to actions such as the platforms deducting money for loan repayments even amidst these extraordinary times as evidence digital platforms and their pay structure continue to be extractive. Because these loans are governed by private sector partnership contracts, they fall under a regulatory void. For example, the response to COVID-19 by the Indian government only mandates deferment being granted on repayments schedules for loans given by many public entities.  

Ultimately, the absence of regulation within the gig-economy, particularly its labour practices during the COVID-19 crisis, is compounded by efforts of the state and digital platforms that do not go far enough to help workers. This leaves the gig-worker to be treated as a general-purpose solution for supporting the local community, even when their own livelihood is left to be governed by extractive terms set by digital platforms and their marketisation efforts. In the absence of any state-mandated social safety, such as employment protection and guaranteed wages, gig-workers face an unfortunate choice of either depending on charity or placing themselves at risk. The state continues to engage with digital platforms either as a utility provider for last-mile logistics, or as if they were a charity. Their response ignores the actual responsibility of the platforms as employers, and signals a need to question the underlying assumptions of the gig-economy and the way it treats an already vulnerable workforce who have now become first responders to the COVID-19 crisis.

References


