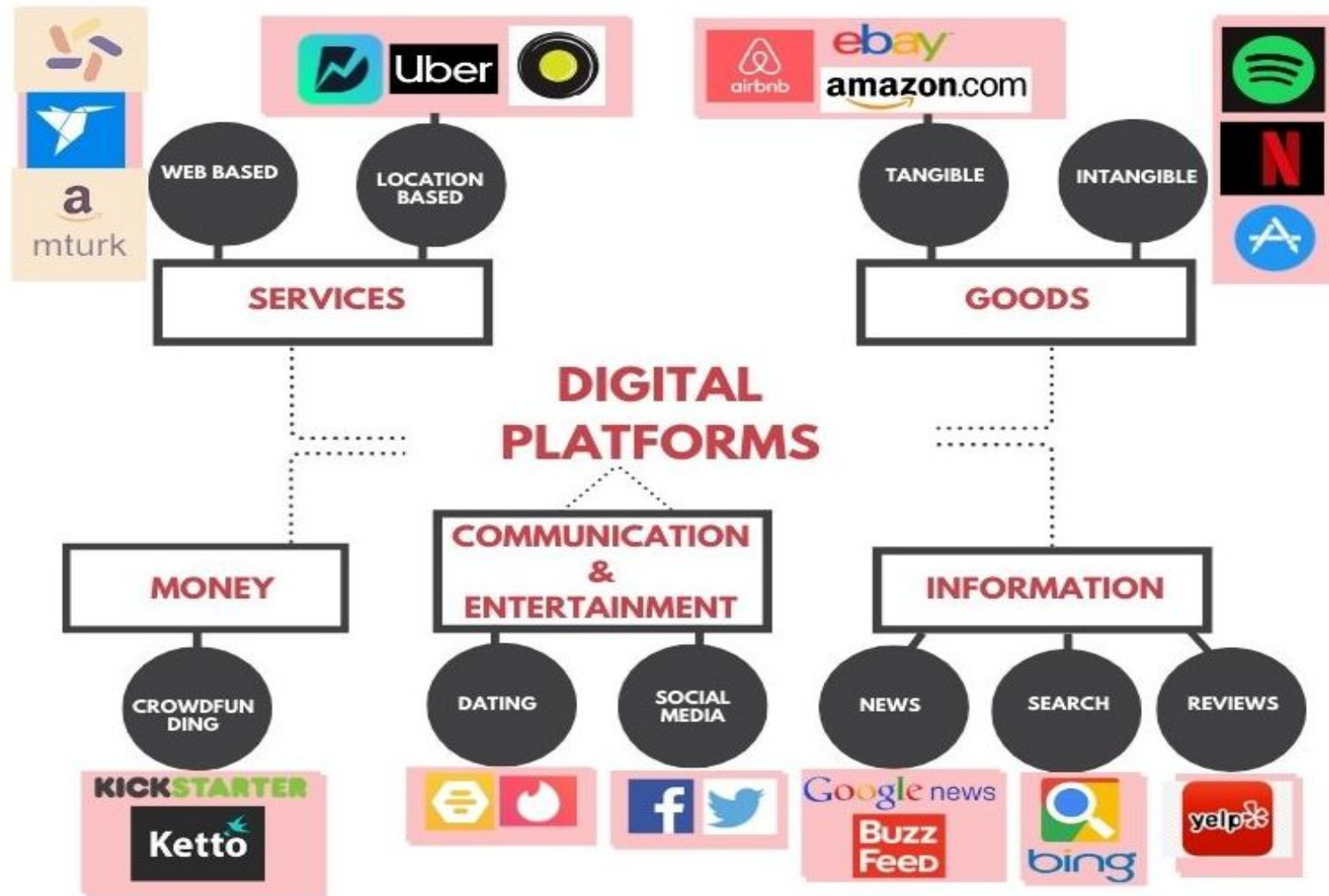# Women and the Platform Economy

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Rise of digital platforms

- One of the most prominent transformations in the world of work during the past decade, that is since the financial crisis of 2008, is the emergence of digital labour platforms. (ILO 2018)

- Digital platforms include DIGITAL LABOR platforms where "paid and unpaid work within the digital economy" is carried out. (Bukht & Heeks, 2017)

- While reasons for the rise of digital platforms is often attributed solely to tech innovations and increased internet access, the role of global economic conditions and how they shape and interact with national policies and conditions is equally important.

  - ➤ Driven by technological innovations and increased online connectivity, the role of digital labour market matching is rising. Workers are finding work through online outsourcing platforms and apps in the platform economy.
  - ➤ Platforms emerge from varying historical contexts, economic motivations and development choices (IT for Change 2019) Variations in platform growth trajectories of US and Chinese based Big Tech as also alternative models in developing countries

- While digital labour platforms are a product of technological advances, work on these platforms resembles many long-standing and historical work arrangements (such as contract work, ghost work) (ILO 2018)

- The potential of sharing economy and co-operativist models have been thwarted by the advent of monopolistic Big Tech companies

- There are now many thousands of sharing economy platforms operating in almost every sector and activity around the world. Back in 2009, there were only a handful. Airbnb had launched in fall 2008, Uber in spring 2009. (Rinne 2019)

- As per the Readiness Index, India along with the United States and China, is expected to lead the platform economy by 2020. The steady expansion of the platform economy in India has been enabled by both demand for services provided as well as a steady supply of workers willing to take up jobs. (Chaudhary 2020)

DIGITAL PLATFORMS

SERVICES
- WEB BASED
- LOCATION BASED

GOODS
- TANGIBLE
- INTANGIBLE

MONEY
- CROWDFUNDING

COMMUNICATION & ENTERTAINMENT
- DATING
- SOCIAL MEDIA

INFORMATION
- NEWS
- SEARCH
- REVIEWS

Platforms: a definitional quagmire

Some business-side definitions or common understanding might limit the view of platforms to third party "intermediaries" or "aggregators" which presume a neutral third party status of the platform..

Issues with this:

- Platforms may get away with **market distortions** (anti competitiveness) and **exercising unchecked power**. Eg, Amazon seen as a marketplace which connects sellers to buyers. However, Amazon by virtue of the data it collects, entered the marketplace with its own line of products which were designed using the data about sales and popularity of products already sold on Amazon. Can undertake discrimination, such as Buy Box.

- **Escaping labour regulation**: Domestic workers in Philippines (IT for Change) and in South Africa (ODI) are covered by legislative protection on workers' rights but platform companies find a way to creatively escape liability

- Escaping **taxation:** Facebook paid 3.6% tax on profits outside of US in 2015 by offshoring advertising sales via Ireland

Three incremental definitions

- Online digital businesses mediate work or services delivered between service providers and customers. Thus, there are typically three parties in the relationship: the crowdsourcer (often referred to as the client or requester), the intermediary (the platform), and the workers. While digital labour platforms present major differences, all of them perform three specific functions: (1) matching workers with demand; (2) providing a common set of tools and services that enable the delivery of work in exchange for compensation; and (3) **setting governance rules whereby good actors are rewarded and poor behaviour is discouraged** (Choudhary in ILO 2018).

- A platform is a business that connects external producers and consumers and enables value-creating interactions between them. A platform provides a participative infrastructure for these interactions and sets governance conditions for them. At the core of the platform's ecosystem are the parties using the platform to engage in value-creating interactions; however, **the ecosystem may also encompass other actors, such as data partners or industry actors who do not directly participate on the platform** (ILO)

- Platformisation is defined as the penetration of infrastructures, economic processes and governmental frameworks of digital platform**s in different economic sectors and spheres of life, as well as the reorganisation of cultural practices and imaginations around these platforms**. (Poell, Nieborg and Dijk 2019)

Women in the platform economy

Two aspects

1. Participation and representation
2. Conditions and nature of work

1. Women's participation in the platform economy

- **Does technology enable higher economic participation of women?**

  A World Economic Forum report highlights that over 57% of the jobs that are set to be displaced by digital automation between now and 2026 belong to women. These are mid-level, routine, cognitive jobs, where women dominate. Women have a very low share in the advanced technology jobs (the nonroutine, cognitive tasks) that are in demand in the digital economy, where employment expansion and real wage increase is much faster. (WEF 2018)

- **Representation of women:** It was projected that post 2019 the platform economy in Europe will be driven increasingly by demographics that have played a (mostly) supporting role to date: the emerging middle class, women and the elderly. (Rinne 2019) A survey revealed that there is gender parity in the Indian gig economy as far as ratio of men and women are concerned (50:50), against the traditional workforce, where the ratio is about 70:30. (Chaudhary 2020)

- Some trends are known for different regions: Women are much less likely than men to work regularly in the gig economy (part time work instead) and to exit sooner (Kasliwal 2020), work is mandated and mediated by socio cultural norms

- However, overall measurement of gig workforce and worker demographics is at best patchy and scattered.

- In 2017–18, the FLPR was 34 percent for the urban self-employed population and 13 percent for urban casual workers, compared to 42 percent and 14 percent in 2011–12, respectively, implying a fall in participation rate for both categories where gig workers could be included.

- That "platformisation" has not managed to directly increase Female Labour Force Participation Rate (FLPR) in India is indicative of both measurement and overall employment deficits. (Kasliwal 2020)

2. Conditions and nature of women's gig work

- There is a **high degree of occupational segregation on gig platforms** both in India and the rest of the world. For example, in the UK, on the Hassle platform, which provides cleaning services, 86.5% of workers are women, while on food delivery platform Deliveroo and private transport platform Uber, 94% and 95%, respectively, are men (Balaram et al., 2017)

- Large scale **feminisation of the world of work** for men and women workers

- Informalisation tendencies of the digital economy also **intensify the burden of care work** to be carried out by women.

- Digitalization is also seen to **disproportionately impact the informal sector** that historically is highly feminized.

- **The displacement of local women's groups** providing urban catering, when food orders go online, or of marginal women farmers supplying to urban markets, when giants like Amazon take over retail supply chains, is likely to have a far-reaching impact on women's economic survival, one that the numbers are not likely to capture. (Gurumurthy et al 2018)

  Give in to platform capitalism, or perish!

- Gender **wage gap** on platforms: Women earn on average **37% less than men across a wide range of occupations in the gig economy** when controlling for a slew of other possible factors (education level, experience, occupation, hours of work and customer feedback) (Barziley et al 2016)

- Reduced scope for **political consciousness** against patriarchal forces. The traits of casualness and immeasurability that were always associated with women's care work and domestic labour is a pervasive feature of the 'sharing economy'.

Barriers to entry

- **Digital gender divide:** According to the GSMA Mobile Gender Gap Report 2019, only 16 percent of women in India are mobile internet users. Women are also less likely to own mobile phones and devices

- The digital underclass and **digital skill gap:** Despite government initiatives such as "Digital India," digital literacy remains a problem amongst women.

- **Sexual division of labour:** Women's primary role is that of caregivers

Indian women as "gig workers": Two examples

1. Urban Company and beauty gig workers

2. Amazon Mechanical Turk (AMT) and Indian women Turkers

1. Beauty and the Beast

- **Urban Company (UC)** earns its revenues primarily through a commission model, in which service providers (or workers who sell their service through the platform) pay the company a fixed fraction of the payment received upon accepting a booking.
- In 2020, the beauty and wellness vertical alone accounted for around 55 percent of the yearly revenue of UC. The revenue performance of this vertical, launched in 2016, has allowed the company to claim the <u>highest share</u> of the on-demand, at-home beauty services market
- The beauty and wellness sector in India employs approximately seven million people. A <u>report</u> prepared by KPMG for the National Skill Development Corporation, points out that women constitute over half of this workforce. It also notes the overwhelming presence of migrant women from the North East, West Bengal, Nepal, and Bhutan in a sector where caste-based stigma (in hair cutting, for instance) and the absence of social security and formal training are rampant.

Who are the beauty gig workers?

- The demographic profile of women beauty workers on UrbanCompany suggests that a majority of them belong to an age group of 25-34 years (59 percent), with an average age of 31 years. This tells us that majority of this workforce is relatively young
- 72 percent women passed high school, and 21 percent went to college (Chaudhary 2020)
- Most of them previously worked at a brick and mortar salons or parlors, some others were unemployed
- Average monthly income: 20-40000.

What are the conditions of work?

- Increasingly **high commission rates**

"I could save 60 percent of the gross income, while 40 percent was spent on paying the commission, buying inputs and travel, but now I'm only able to save 30 percent of what I make"

- **Income instability:** UC claims women earn monthly 50,000. During pandemic, incomes plummeted before halting. No clarity on future. Workers had been asked to bear the costs of safety equipment on their own, which, coupled with the exacting commission fees, created a big dent in their already deteriorating income. Dakshita pointed to the cost of traveling to the client using only ride-hailing services like Ola and Uber, which, again, piled on the costs incurred by workers.
- **Precarity:** The business model of platforms like UC is to lure in workers with the promise of flexibility (duly appreciated by some) but soon leave them with declining income, heightened social security burden and market risks, and increasing costs.

- **Disposability and replaceability of workers**. In the gig economy, the need is not for skilled workers, but for a large number of workers.

  "We will find many others (bohot saare ladki log mil jaate hain)"

- This increases precarity which has **gendered consequences**, such as dropping out of the labourforce and returning to domestic patriarchies.

  (Zainab 2020)

Covid-19's migrant crisis and missing women

- Despite the predominance of migrant women in the beauty sector workforce, media coverage of migrant workers during the lockdown left women out.
- This analysis of women in the economy, seen only through the lens of motherhood and wife-hood, can hardly account for why the discourse on migrant workers remained centered around men
- Even migration theories have largely focused on the push factors of poverty and unemployment without employing a gender lens; in India, plenty has been said about women migrating for marriage, but not much beyond that.

Double edged sword for women

- A two-sided marketplace, by definition, facilitates an exchange between two distinct groups that mutually benefit each other based on the logic of network effects.

  An example of the neutral terminology preferred by platforms

- In the case of UC, women who avail beauty services rely on the labor pool of gig workers, while gig workers, in turn rely on this aggregated demand for wages. The platform, while productizing ('service as product') beauty services retains absolute control over this exchange, as the transactions are centralized. The two-sided marketplace, thus, hinges on the two-fold exploitation of women, both as consumers and as laborers.

2. Indian Women "Turkers" on Amazon

- Amazon Mechanical Turk (AMT or mTurk) is an on-demand digital labour platform for microwork. Microwork refers to repetitive small broken down tasks done by a geographically dispersed global workforce.

Eg, image tagging, sentiment analysis, transcription, academic and consumer surveys.

- People who post tasks on AMT are typically businesses, academicians, or labour contracting firms (Berg et al 2018)
- Indians on AMT constitute 27 percent of the online workforce. (Difallah 2018)
- There is a gender imbalance on AMT India: 77% men, 23% women in 2015. Decline in percentage of Indian women on AMT by 2017. (Berg et al 2018)
- Since 2020, there has been a rise in number of women workers from India on AMT, upto **34%.** (Dubal 2020)

Who are the Indian women on AMT?

- Concentrated in the southern states with the highest number from Tamil Nadu
- Come from upwardly mobile social class, mix of upper, dominant, backward and lower castes
- Most of them hold at least an undergraduate degree, some of them are PhD holders
- Monthly income ranges from 5,000 to 40,000
- Either previously unemployed, or employed in formal sector jobs, or students

(IT for Change, forthcoming)

Algorithmic or digital control

Turkers are managed digitally through codes and algorithms with no human managerial layer leading to opaque and unilateral decisions in:

- allocation of tasks. No grievance redressal.
- compensation for tasks
- entry to the platform: discriminatory policies
- exiting the platform (robo-firing)
- "status of the worker"
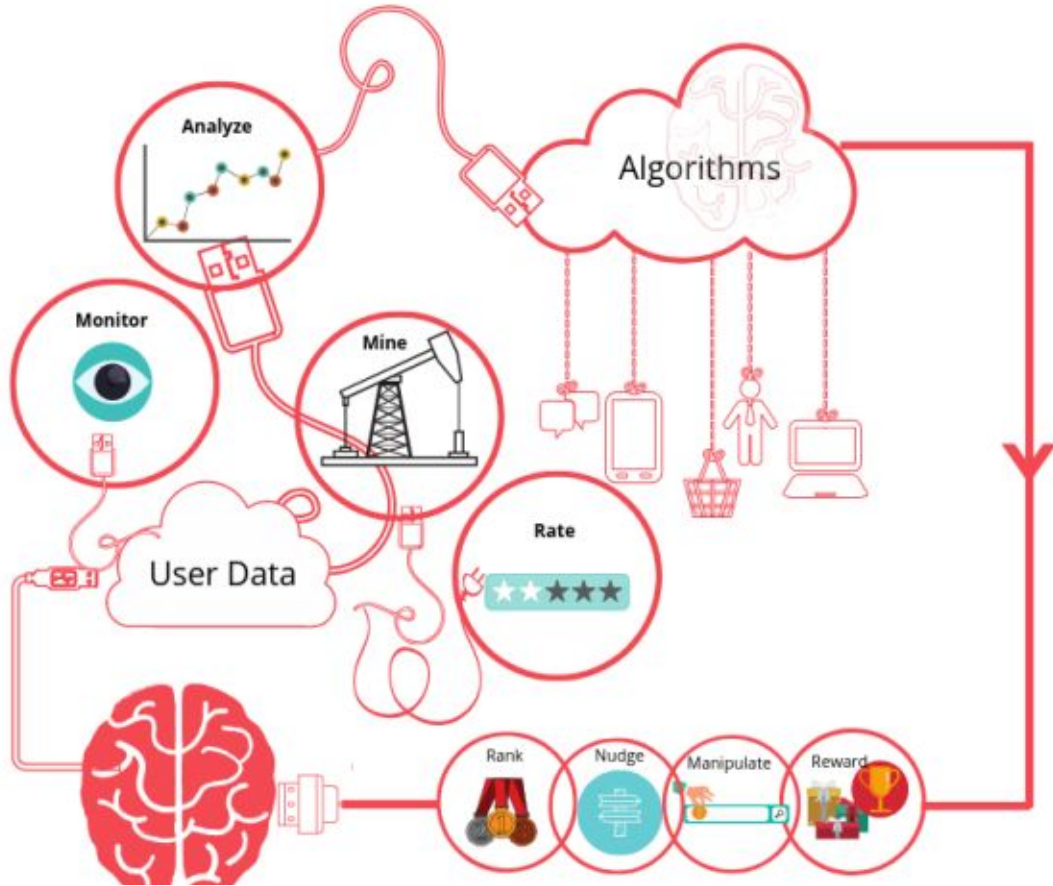
Not just "intermediaries"

How algorithms game the actors involved

Perceptions

- Even though most women are over-qualified to do these tasks, perception of honourable and decent work prevails. In contrast to the view held of traditional home based work.

"Decent work" "Nice work" "Good standard work"

- Ideological function and reorganisation of cultural imagination
- Pleasing the family: Marriage of capital and family when paid and unpaid work performed from the commercialised home
- Escape from discrimination that is rampant at workplaces - sexual harassment, religious and caste based discrimination

(IT for Change, forthcoming)

The underlying economic need

"A little more than money" (Gray and Suri 2019)

- Our findings (IT for Change, forthcoming) showed the reverse is also true. Often economic need compels women to take up casual precarious work, as is the case in traditional informal sector or agriculture.
- Lack of jobs for women: a key reason for decline in India's LFPR. With no alternatives, women turn to online microwork and accept poor working conditions
- Particularly true for regions like Tamil Nadu that perform better on economic and developmental outcomes and gender constraints are lower. Women cannot escape precarity, gender works through 'respectable femininity' rather than control on mobility or education

Common themes

- More women likely to participate in platform work in the future (Vaughn and Davario 2016)
- There is a feminisation trend in platform work - casualisation, flexibilisation, low wages, precarious working conditions, no social security
- Certain convergence of experience for women across different regions, class and caste in how they negotiate their economic citizenship (both beauty workers and Turkers don't have a defined employer and face income and job insecurity - a lot is hinged on being allowed to participate, either migrate or work from home)
- New forms of discrimination which entrech and reproduce deeper inequalities - wage gap, targeted allocation of work leading to market segmentation, locking into occupations as in the case of caste and region and beauty and domestic work

Common themes

- No alternative employment opportunities for women

- The cultural change might be stickier indicating a deeper problem (beyond economics)

- Gender ideologies are a key determinant in women's employment choices: Women are effectively trapped into the household as any emancipatory power of economic independence is thwarted.

As emphasised by feminist scholarship, changing employment relations interact with enduring gender inequalities in paid and unpaid work, with one shaping and, in turn, being shaped by the other (Feldberg and Glenn, 1979; Gornick et al., 2009; Lewis, 1992; Vosko, 2000).

Work is also shaped by these social determinant. Platforms gravitate towards flexible labour in the Global South. (From Facebook to Amazon)

Points of Intervention

- Legal and regulatory challenges: What sectors they can enter, what they can't, what is their role? Antitrust laws? Definition of platform workers so labour laws are applicable
- Advocacy for state intervention: Instituting universal social protection for unorganised sector workers: Social change Scholars have long debated that flexible work arrangements may benefit women by bettering opportunities to balance their household responsibilities, unpaid childcare and paid work
- Investing in digital public goods could help with gender digital divide. Universal mobile data subsidies, eg.
- Data rights of workers, Uber drivers have the right to know how surge pricing or allocation of rides work.
- Better measurement of gig workers and study of gendered experiences therein

Legal milestones

1. Earlier this month, Federal Labour Court of Germany established that even micro-workers (Such as those on AMT) can be deemed as employees of the platform and be eligible for employee protections. It also recognised how the platforms ratings system and the elements of gamification cause the workers to be continuously active. This set a good legal precedent
2. Social Security Code India 2020: some recommendations and opportunities of platform workers rights.

Workers Unite

- **We are Dynamo**, a platform to support the Mechanical Turk community in forming publics around issues and then mobilizing. It has been used to author guidelines for ethical requester behavior, a letter campaign to Amazon CEO Jeff Bezos, and twenty other efforts.
- **The Indian Federation of App-based Transport Workers** (IFAT) is workers organisation representing app-based transport and delivery workers. It has affiliate unions from 10 cities across India with a membership of more than 20000 It was founded in December 2019 in Mumbai, IFAT is working extensively to champion the labour rights of workers driving and riding for companies like Ola, Uber, Swiggy, Zomato etc
- Self Employed Women's Association (SEWA) and worker owned digital platforms for women farmers, artisans.
- Domestic Workers Union, **Stree Jagruti Samiti** attempted to build a platform for workers in partnership with Microsoft, they use it now for information dissemination and awareness building

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