

## **Working on Overdrive: The Future of Platforms and Working Time**

**Article by Juliet Schor**

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Adapting to Covid-19 has meant changing how and where we work and consume. In an economic recession, the major risk is that work will become more precarious, conditions more unequal, and platforms more powerful. But the disruption of old habits offers opportunities too. We sat down with economist and sociologist Juliet Schor to discuss the gig economy in the context of the pandemic, accelerating digitalisation, and the need for a new economy based on security and resilience.

***Green European Journal: The gig economy's original positive self- image of flexibility and autonomy has clearly not materialised. What went wrong?***

**Juliet Schor:** The gig economy started with an idealist discourse making three sets of claims: economic, social, and environmental. The environmental claims were mostly bogus. Transportation and travel are carbon-intensive activities. If you make them cheaper, you'll get more of them. On the economic and social side, the gig economy promised a new way to work: without a boss. Unlike with conventional employment, workers could work whenever they wanted and as much or as little as they liked. This flexibility, autonomy, and, in particular, the idea of not having a boss suited many people. What went wrong differs according to the worker. For those for whom platforms are a source of extra income rather than a means to make ends meet, the gig economy is attractive. They may already have a full-time job, a pension, a well-off spouse, or be operating a business.

For those trying to make a living, on the other hand, gig work has fallen down. Some apps have really squeezed the sums that workers receive per job, forcing them to work extra hours. In ride-hail, the workers' share just kept getting eaten away. The other problem is that the apps are open access, meaning that the platforms have become flooded with workers. If the overall volume of work stays the same, workers are spending their time waiting for jobs without being compensated. People working full-time in ride-hail and delivery, including on apps with high hourly rates, don't even reach poverty-level incomes. It all comes down to company policy, which has pushed the rates down while allowing too many people on the apps for the given amount of work.

**The Covid-19 pandemic has pushed people out of work and reduced incomes. Won't these conditions make more people reliant on gig work?**

Delivery services have seen major growth in demand in the pandemic. The US-based grocery pick-up and delivery company Instacart, for example, has taken on many more shoppers. The drop in demand for ride-hail has forced even larger numbers into delivery work. Today, too many people are chasing too little work as people lose jobs and turn to the apps. In that situation, it gets pretty desperate and companies take advantage.

**The economy is moving increasingly online, from shopping to government services, and the only companies doing well in the pandemic are big tech firms like Amazon and Google. What will this mean for work more generally?**

The big takeaway is stratification. Digitalisation is not going to mean the same thing for everyone. It's important to separate digitalised work from remote work. Remote work for more privileged workers offers some level of autonomy and has been largely positive. Some permanent changes we will see are companies letting employees work from anywhere, meaning they can live in cheaper areas while avoiding long commutes. Childcare is an issue, but the option for remote work is an expansion of freedom for many. If people get to choose, they'll choose what is best for them. In other areas, the digitalisation of work will be far more problematic. Digitalised human resource functions are already being used to hire people using often-discriminatory algorithmic decision-making.

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An even bigger risk is a growing division between privileged positions working digitally and the many occupations that will remain in-person and non-digitalised. The growth of the middle class in the second half of the 20th century eroded strong class differences by education and occupation, but these appear to be coming back. Delivery workers, frontline workers, work that you don't need a degree to do, could become a much more stigmatised set of occupations with a split between increasingly digitalised white-collar work and non-digitalised, predominantly manual work.

### **Could remote working be a first step to white-collar jobs becoming more like gig work?**

If you think about doctor's and medical visits, you can see them being turned into piecework, which is what the gig economy basically is. Many scholars think that the modern corporation may soon be a thing of the past. Modern corporations pulled much of their activity out from the market and organised it through command and control. One of the ironies of the free market is that the major institutions of capitalism operate like socialist countries. However, increasingly, the "fissured workplace" and outsourcing involve firms devolving their activity out on a market-contractual, contingent basis. Historically, the piecework system in the West was fairly bad when it came to working conditions. If it were to happen in a context of security, through a universal basic income or other robust ways of meeting basic needs, then a piecework system might not be as bad as it was in the proto-industrial Britain with which we associate it.

### **Your book *After the Gig* argues that we shouldn't give up on the original promise of the gig economy. Is it worth saving?**

I have many criticisms of the gig economy but there remains potential and many workers do experience positive aspects of gig work. Some of the technology is fantastic in the sense that it makes much of what management does redundant. Buyers and sellers are automatically matched. Quality control is organised without management and often applies to both consumers and workers. The problem is not the technology but the social relations. Worker- or user-owned platforms, instead of predatory capitalist firms, have the potential to make algorithms that conform to people's wants and needs.

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The global network of sharing cities shows what cities can do in this respect, from regulation and technical support

to start-up funds for true sharing initiatives. A combination of regulation, fostering the cooperative ecosystem, and even municipally hosted or owned platforms could be the basis for an alternative platform economy. Of course, the big corporate players don't like competition. But, going into another period of high unemployment and depression, we need cities to get more creative about producing and promoting jobs.

**Many European countries have used reduced working hours to manage the economic downturn, and there is a growing discussion about a four-day week. Is the current crisis an opportunity for a new balance between work and leisure?**

Particularly at the beginning of the crisis, it seemed like an opportune time to discuss reduced working time because people had gone back to basics in terms of spending and consumption. Countries were prioritising basic needs in the supply chain and, even if you went online, you couldn't always find what you were looking for. This moment prompted the question of what we really need. Our basic needs are food, healthcare, education, and shelter. If as societies we focused on those needs rather than maximal output, it would free up a lot of labour for other activities. At the same time, positive imaginings of a different, simpler way of living were something of a preserve for privileged people whose needs were met during the lockdown.

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The other dimension of reduced working time is the climate crisis. The relationship between hours of work and carbon emissions shows that countries where working time is shorter have, other things held equal, lower carbon emissions. We need to push this because there's no way to have a robust climate agenda while trying to continually expand the size of national economies. In that sense, shorter hours are about survival and need to be in the toolkit for climate policy. Greens in Europe have understood this point for a long time and it's been a key part of their agenda since the 1980s.

In Europe, reduced working hours and much of the post-growth agenda has entered the mainstream. Not the centre of the mainstream, but it's a legitimate point of view. The debate in the United States has not reached this point even though the Green New Deal talks about jobs but not growth. The question of growth, in a way, needs to come out in the wash. Carbon, employment, and wellbeing should be targeted with policy.

**Covid-19 is first and foremost a health crisis, but it exposes many flaws in how our economies are run. What should Greens focus on to make this crisis a turning point?**

The focus should be on what the economy is for. Is it growth for growth's sake? The pandemic has shown once again how the economy isn't functioning in a way that meets people's needs. In the 1950s, people said, "What's good for General Motors is what's good for the country". I would have criticised it but it was a plausible argument. Now the key is to hammer on questions of meeting needs while protecting the planetary ecosystem. That means talking in terms of security. The climate crisis will create increasing economic insecurity for more and more people through disasters, food prices, instability, and migration. It is already causing chaos and that will bring further economic chaos. It might be a bit of a hunker down message, but it's about focusing on people's needs: security, resilience, and minimising risks.

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Juliet Schor is an economist and sociologist at Boston College. Her research focuses on the sociology of work, consumption, and climate change. Schor's most recent book is *After the Gig: How the Sharing Economy Got Hijacked and How to Win It Back* (2020, University of California Press).

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