

Introduction to the political economy of platform labor

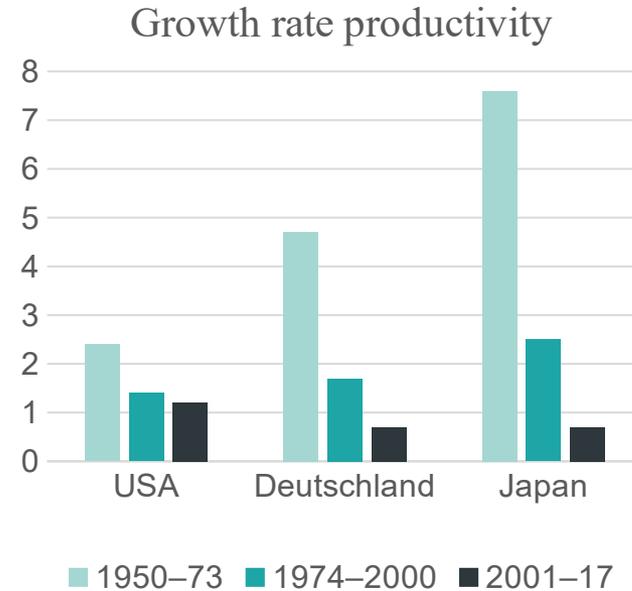
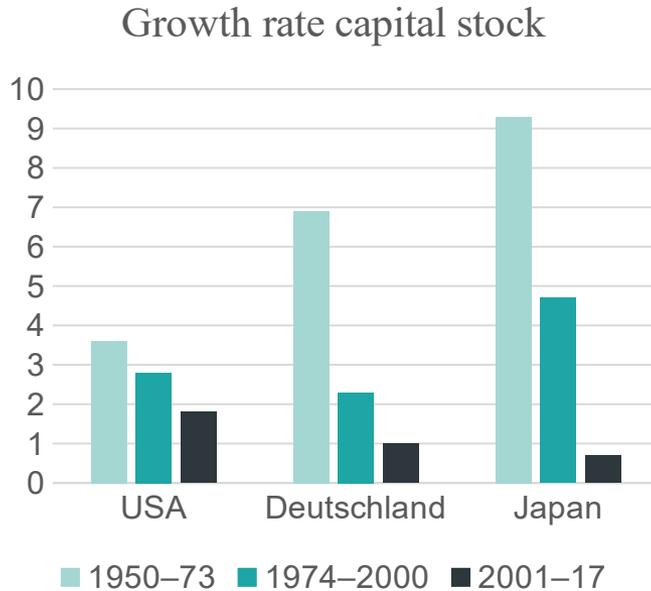
Simon Schaupp



Why platform economy?

- Digitalization manifests increasingly in digital rationalization of labour instead of automation.
- Frey/Osborne (2013): 47 percent of jobs could be automated within 15 years: but no comprehensive automation in sight.
- Since the oil crisis of 1973, a persistent crisis of capital **overaccumulation** in the early industrialized countries.
- Profits from the production sphere are **less and less reinvested** in means of production, future profit realization uncertain.

Why platform economy?

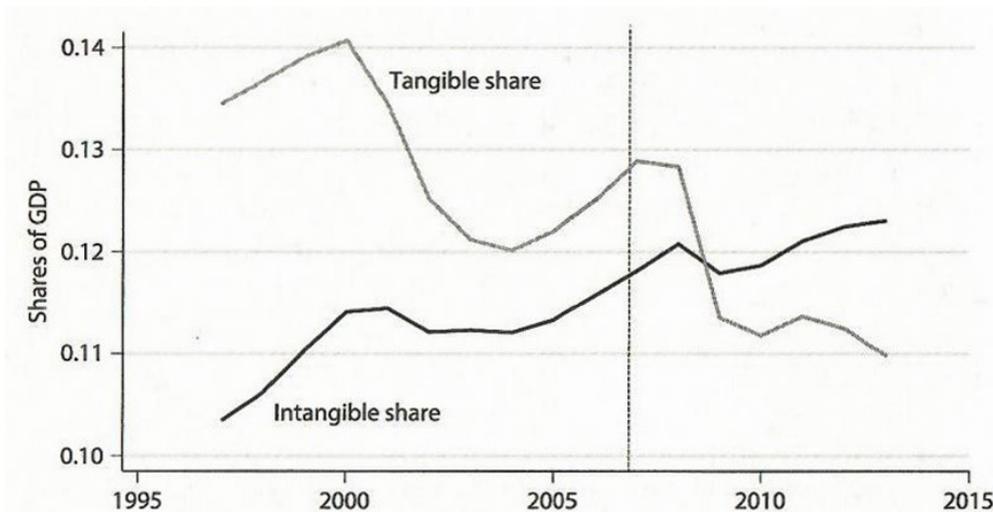


Data from: Benanav 2020: 59, own depiction

– Extensive **robotization unlikely.**

Why platform economy?

- Increasing investment in "intangible capital":
- Organizational **patents, software** at heart of “tech” companies
- More attractive to **finance capital**: cheaper and more easily scalable
- Platform economy does not aim to increase **productivity** but to overtake markets with **cheap** services.
- Cybernetic **proletarianization** instead of technological unemployment.



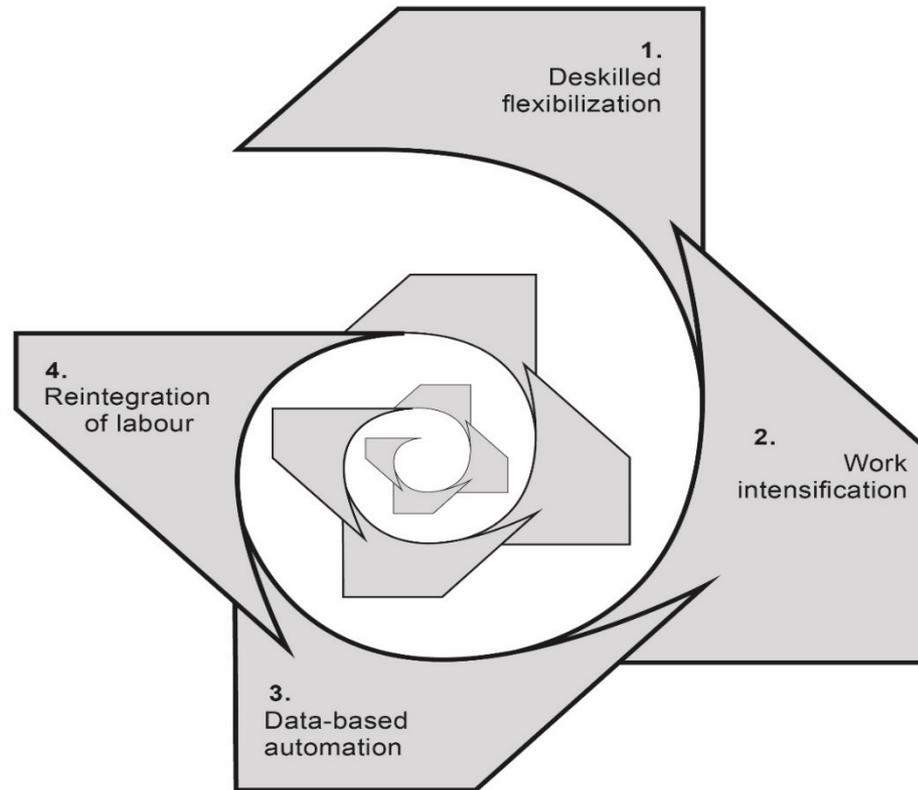
Investitionsanteile von „materiellem“ und „immateriellem Kapital in den USA und Europa (Quelle: Haskel & Westlake 2018: 26)

Cybernetic proletarianization

- Commodification of previously unpaid **house work** (cleaning, cooking etc.).
- Symptom of general **intensification** of work: 80 per cent say that they order delivery because they don't have time for cooking.
- Business model cheap labor intensive service work requires economic **polarization**.
- Relatively large middle class AND relatively large low-wage sector.

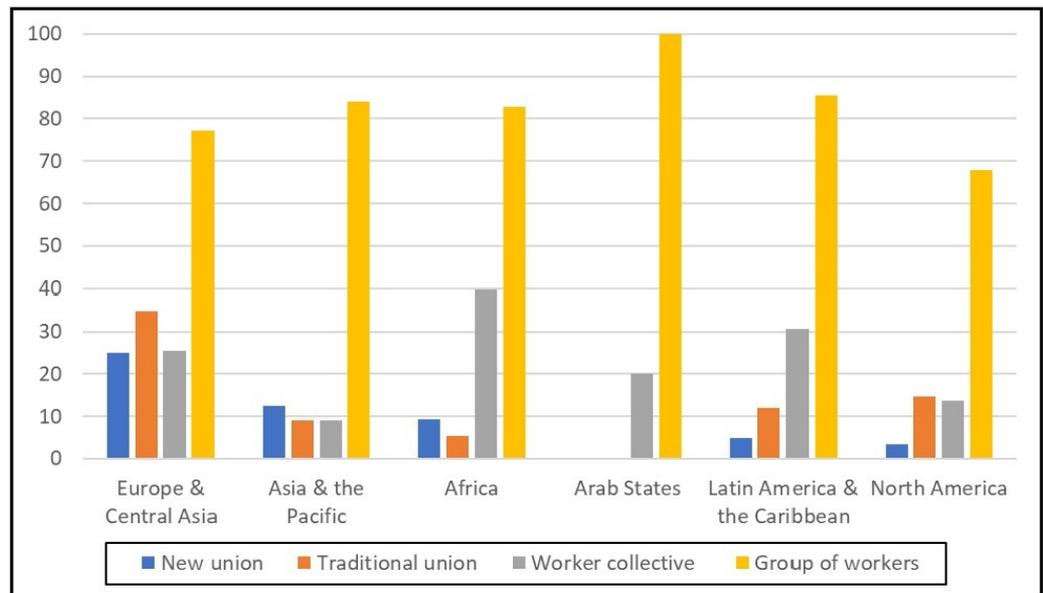


Cybernetic proletarianization



Cybernetic proletarianization

- Subjective side of proletarianization: new **proletarian subcultures** within platform econ.
- Existential precarization makes platform work very **conflict** intense.
- Complete **separation** between management and workers: algorithmic management.
- Easy to establish critical **communication** among workers.
- But: strong tendency towards **informal** conflicts: wildcat strikes, sabotage etc.



Note: Percentages do not total 100 as some protests involved more than one type of organization.

Conclusion

- Platform econ. builds on intensifying **exploitation** of workers instead of increasing **productivity**.
- Requires **polarization**: not generalizable as “the future of work”.
- Very **conflict** intense, new proletarian subcultures.
- New forms of **organization**: autonomous workers collectives, international federations.
- New crystallization of **class conflict** in sphere of work?

Thanks for your attention!

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Schaupp, S. (2021) “Cybernetic proletarianization: Spirals of devaluation and conflict in digitalized production”, *Capital & Class*, pp. 1–21. DOI: [10.1177/03098168211017614](https://doi.org/10.1177/03098168211017614)
(Open Access)

Schaupp, S. (2022) “COVID-19, economic crises and digitalization: How algorithmic management became an alternative to automation”, *New Technology, Work and Employment*, DOI: 10.1111/ntwe.12246 (Open Access)