



Digital technologies and the future of work(ers): a view from the global South

Ruth Castel-Branco | Canadian International Council | June 8-9, 2021

Introduction

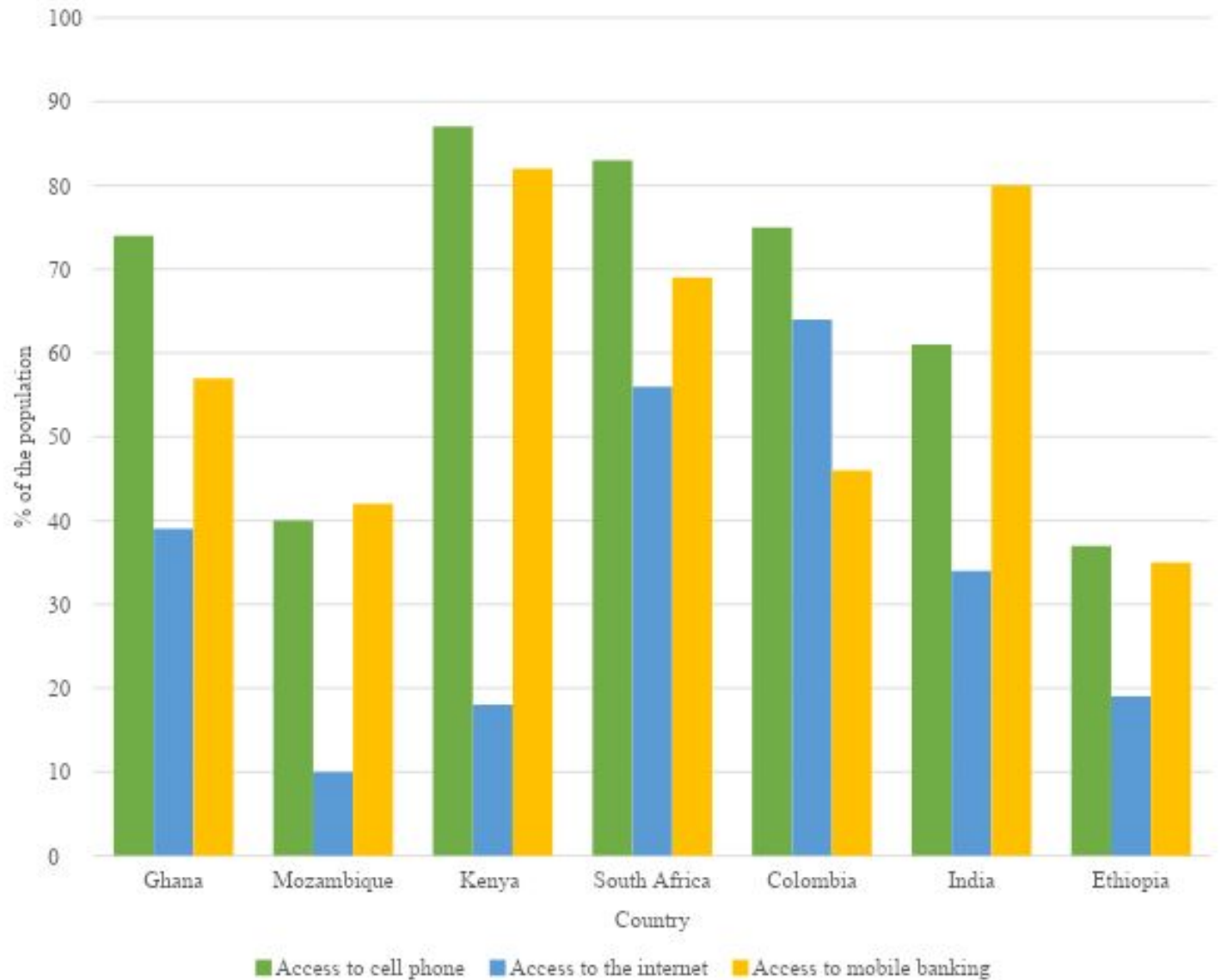
- The impact of digital technologies on the world of work(ers) and inequality in the global South has been the subject of great debate.
 - World Bank position (2019):
 - Digital technologies will increase productivity, promote rapid growth, create jobs and improve the delivery of public services;
 - They will give workers greater flexibility;
 - States can take steps to support workforces to develop new skills centred on problem solving, teamwork and adaptability;
 - Reimagine social security and move away from social insurance

- Anner et al. (2019):
 - digital technologies have concentrated capital by facilitating the convergence of activities previously dispersed across industries and geographies;
 - multinational corporations have been able to increase their monopoly power, based on value extraction rather than value creation, even if capital still derives the greater part of surplus value from commodity production;
 - are likely to exacerbate the decades' long tendency towards non-standard and informal employment, which in South Africa has been marked by:
 - A decline in agriculture, mining and manufacturing with robotics and automation
 - An increase in the service sector, especially finance and retail.
- A concern in South Africa, with high and rising rates of unemployment:
 - Racialized, aged, gendered, and geographic location.

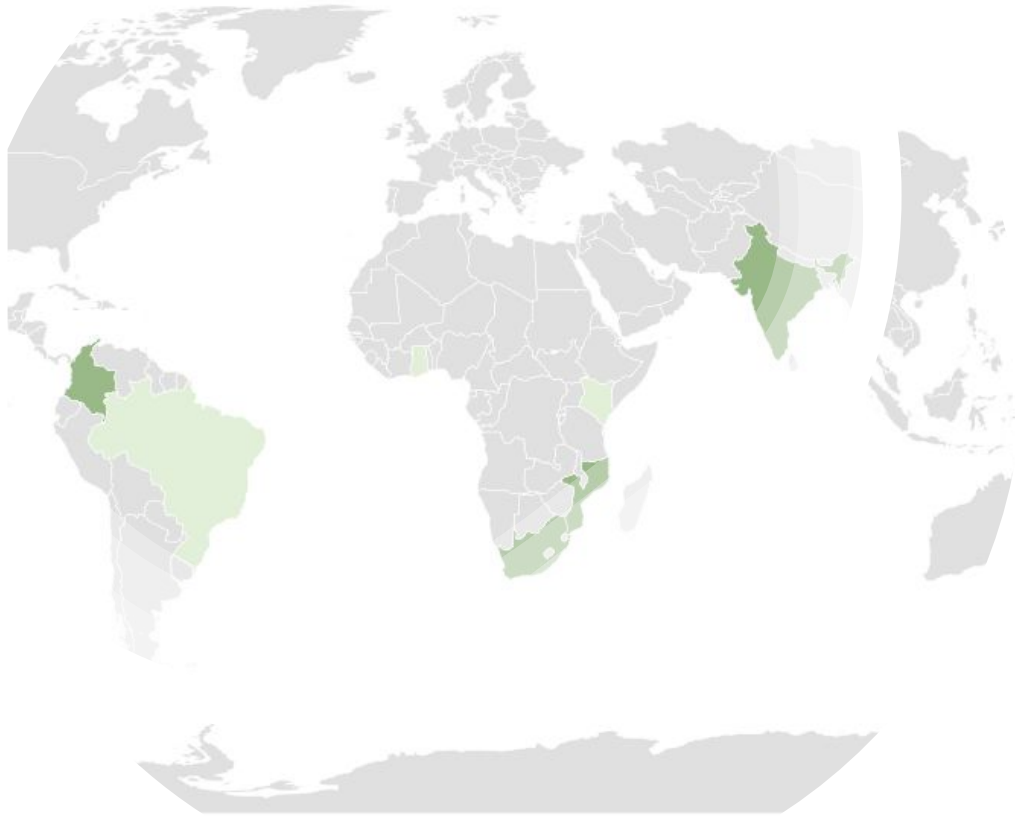
Assumptions

- Historically, technological innovation has taken place in spurts;
- Contested terrain, which reflects and reproduces structures of power, but is neither unidirectional nor predetermined;
- Contradictions are perhaps most evident in the global South:
 - Which is itself extremely diverse in terms of levels of economic development, digital penetration, labour market structures, labour-capital relations;
 - 1st—4th industrial revolution coexist.

-
- Weak infrastructure
 - Poor service
 - High cost
 - Low literacy
 - Data security concerns
 - Unequal power relations
 - Unnecessary



Research questions



- How are digital technologies reshaping the world of work(ers) in the global South?
- How are work(ers) in the global South redefining the terms of digitalization?
- How can states in the global South use their regulatory and redistributive power to advance decent work in the digital economy?

Findings: changing nature of work

- Automating industries:
 - Automation requires investment and firms decisions to invest are based on calculations related to profitability and labour costs;
 - South Africa has low levels of capital accumulation and investment.
 - Automation is most common in:
 - Manufacturing sectors reliant on foreign investment, where there's pressure to adopt fit-for-purpose robots (e.g. auto, mining, agriculture);
 - Jobs where tasks are repetitive.
 - Automation has been less common in:
 - Service sector;
 - Jobs where tasks require manual dexterity or abstract labour;
- The terms of automation, retraining, etc. reflect social dialogue.

- Platform work: “uberization of work” (Webster and Masikane 2010)
- Misclassification as independent contractors/disguised employment:
 - Subject to the (invisible) “authorization algorithmic management”, which assigns tasks, tracks performance, determines pay and can terminate employment unilaterally;
 - They provide platform services and produce value for the app regularly;
 - They are economically dependent on the app/ cannot work independently;
 - They do not generally own the means of production:
 - “a car is not a business” (Du Toit 2020)
 - Often lease

- Conditions of work: the case of Uber Eats
 - Long working days on location-based platforms;
 - Low wages, though not necessarily below the NMW;
 - Lack of paid leave, including maternity leave;
 - Lack of social security benefits;
 - Lack of occupational health and safety protections: accidents, violence, crime;
 - Risk of indebtedness;
- Reproduces social inequalities: gender, race, immigration status, (Webster and Masikane 2020).

Digital platforms are diverse but highly concentrated (ILO 2021):

- 96% of the investment is in Asia, North America and Europe;
- 70% of the revenues generated go to the United States and China

Online-based platforms

- Tasks carried out remotely: 'invisible workers'
- Young, highly educated well-educated, include women (legal services, translation, editing)
- Demand generally originates from global North and supply from global South; but has benefited some start ups
- Motivation: complementing an income, flexibility, etc. but major wage gap between global North and South.
- Average hours: 23 p/wk

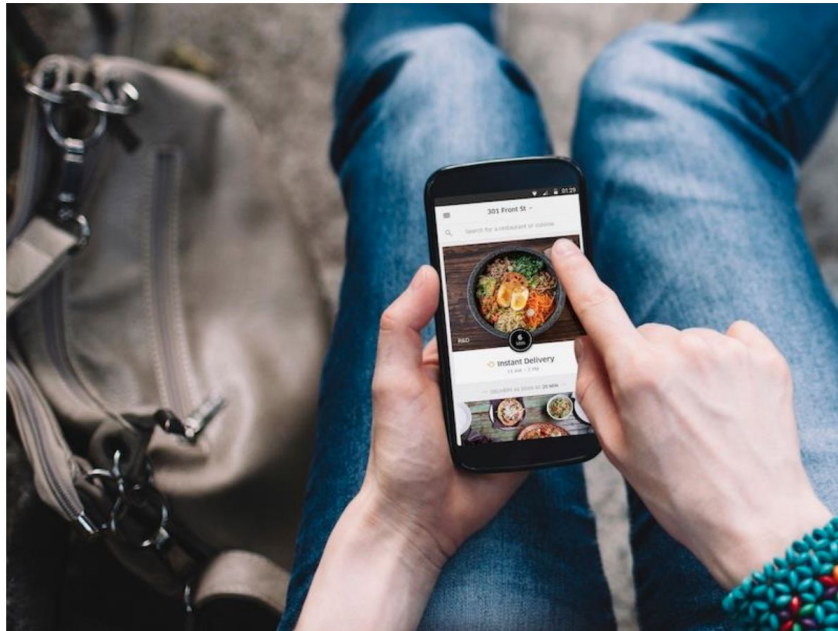
Location-based platforms

- Tasks carried out in person: 'visible workers'
- Often less well-educated and primarily male, delivery workers
- Demand and supply generally originates from the global South; and benefit local companies, include SMEs (restaurants)
- Motivation: lack of alternative employment – and earnings tend to be better than alternatives.
- Average hours: 65 p/wk

Findings: new forms of worker power

Uber Eats strike in Gauteng may spread to other cities as drivers protest fee cuts

Business Insider SA
Dec 19, 2020, 04:08 PM



- South Africa: hybrid collectives of Uber Eats, along national lines
- Connected through whats app;
- Engaging in digital direct action “logging off”;
- But also providing mutual aid;
- With the potential for structural, associational and societal power (Webster and Masikane 2020).

Nace Unidapp, el Sindicato de los Trabajadores de Plataformas en Colombia



Imagen de referencia tomada de Infobae

Fecha: 08/10/2020 **Categoría:** Noticias **Autor:** Editor Agencia de Información Laboral

- Colombia: union app of Rappi Workers (UNIDAPP),
- With support from NGO's
- Affiliated to the Central Workers' Union (CUT),
- Allied with the National Movement of Digital Platform Workers (MNRPD)
- Organizing transnationally (Velez 2020).

- Uganda: cooperative app for boda-boda drivers;
- Affiliated with the Amalgamated Transport and General Workers' Union
- App allows for:
 - manage passenger and courier requests, Payment of membership fees,
 - BUT expensive to manage, digital divide, etc. (FES 2021).



Findings: the regulatory and redistributive role of the state

Labour protections

Consumer protections

Social protection

Immigrant rights



Competition Commission launches investigation into eCommerce marketplaces, online classified marketplaces such as Takealot and UberEats. Photographer: Armand Hough/African News Agency(ANA)

UberEats, Takealot and other digital markets probed by Competition Commission

By [Mwangi Githahu](#)  May 19, 2021

- **Social protection: universal basic income**

- provides income security for those who are precariously connected to formal labour markets, particularly women.
- would reduce poverty and inequality and establish a wage below which workers could refuse to work, giving workers greater power to negotiate conditions and strengthen the social basis of unions.
- enable people to engage in socially meaningful activities outside of the labour market.
- Its universal character avoids the costly selection processes and errors of inclusion or exclusion that are endemic to means-tested measures, while its unconditional nature prevents capital from coercing recipients into ultra-low-wage labour (Castel-Branco 2020).

- What would a meaningful UBI look like?
 - Set the value of the transfer at a meaningful level:
 - at around the individual poverty line;
 - conceive of it as additional to, rather than a replacement for, existing forms of welfare provisioning;
 - and recognises that welfare provisioning is part of a broader set of labour, social and consumer protections aimed at increasing the social wage and improving working conditions (Castel-Branco 2020).

UBI in low in low-income countries: Mozambique?

	Value of monthly transfer (MT)	Number of units	Annual cost (USD)	% of the budget	% GDP
Individuals					
PASD-PE	1,500	28,571,310	7,093,566,621	129	47
Poverty Line	900	28,571,310	4,256,139,972	77	28
2/3 poverty line	600	28,571,310	2,837,426,648	52	19
Households					
PASD-PE	1,500	6,541,215	1,624,025,793	30	11
Poverty Line	900	6,541,215	974,415,476	18	6
2/3 poverty line	600	6,541,215	649,610,317	12	4

- Conundrum of UBI for low-income countries:
 - How do you introduce a **meaningful** UBI while ensuring the adequacy of other forms of social welfare provisioning? How do you expand social welfare while strengthening funding for essential public services?
 - Ways of expanding revenue: curbing licit and illicit financial flows, development aid/(climate) reparations
 - Ultimately process of redistribution cannot be disarticulated from processes of production:
 - What will be consumed?
 - What will be the basis of redistribution
 - Articulation between land, labour and welfare.

Conclusion:

We are still very much at the beginning.

Future sectoral research

- Digital capital and the corporation
- Labour process
- Conditions of work
- Worker organizing
- Policy and regulations



Banking



Mining



Manufacturing



Platform work



Agriculture



Thank you!

ruth.castel-branco@wits.ac.za