The Political Economy of Digital Platforms

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At the beginning of December in 2017, Patreon sent out emails to site users announcing a change in how they would process payments and charge fees to those using the site to support creators with monthly payments. After a week of controversy and protest, the platform announced "We messed up. We're sorry, and we're not rolling out the fees change." Among other missteps, Patreon apologized for not involving the platform's users, both the creators who receive payments and patrons who make them, earlier and more substantively in their decision-making process. The Patreon example is only the most recent of many controversies over the governance of digital labor platforms in recent years. For many years, I closely researched Etsy and Ravelry, platforms for community and commerce in artisanal crafts. In the middle of my 2013 fieldwork, Etsy announced an extremely controversial decision to allow crafters to outsource the actual crafting and making of their work to others but still sell it as "handmade." That decision still, five years later, serves as a touchpoint for crafters deciphering and debating the Etsy Corporation's decisions. While control over workplace policies and struggles over compensation are evergreen issues in the history of industry and labor, the ever-increasing prominence of digital platforms adds both new wrinkles and new tools for change.

Those who labor through digital platforms can be usefully compared to four pre-existing categories of relationship to a corporation: salaried employees, independent contractors, customers, and shareholders. The more reliant a person is on the income they earn from platform-enabled work, the more likely they are to think of themselves as a (should-be-salaried) employee. Those who are happy to do something which earns them money that is "nice to have," rather than essential, are more likely to agree with traditional customers (i.e. those who purchase things through platforms) that platform workers are independent contractors. In my interviews with crafters who sold their work on Etsy and Ravelry, often the more politically aware and engaged crafters invoked the customer paradigm. They referenced ideas familiar from the study of consumer activism, angrily arguing that Etsy sellers, Patreon creators, AirBnB hosts, and so forth are the ones who truly pay platforms' bills through paying commissions, listing fees, advertising costs, and etc; thus they should be prioritized by any company policies. Ironically, I argue the best analog for the platform-worker dynamic is the one my research participants never brought up: the shareholder.

Traditional shareholders invest their economic capital in companies and are recognized as co-owners. Indeed, one of the biggest hurdles to socially-conscious capitalism movements is the commonly expressed (though false) belief that corporations have a legal responsibility to maximize their shareholders' returns. Those who work through digital platforms invest their temporal, social, and cultural capital in the companies. Culturally, they act and hold beliefs more like co-owners than the "labor" in a

labor-management structure. The current system's health and ability to move towards a more truly participatory culture depends on cementing the economic and political aspects of that shareholder, co-owner relationship between platform companies and platform workers.

There are a number of questions that grow out of this analysis that I look forward to discussing with the other roundtable participants:

My research has focused on capital-related digital platform "gigs," not the time-related "task" platforms like mTurk. There are some clear demographic differences between participants in the gig and task economies. How does this impact their sociopolitical structures and the strategies activists should take?

What ethical responsibilities do platform companies have to those who depend on their sites for work? Do workers have responsibilities towards platforms?

Like Silicon Valley more broadly, many of these platforms are founded with utopian goals and visions of a better future. Many platform workers begin working through the platforms with similar motivations. How can this energy be transformed, sustained, and scaled?

How can the history of unions and collective bargaining inform struggles for better compensation and healthcare in the growing casual economy, despite crucial differences between the historical union-corporation socio-political structure and that of today?