



Navigating *Jefes Fantasma*s in New York City's Urban Platform Economy

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How has the “platform economy” altered urban life, infrastructure, and labor? Jackson Todd examines New York City’s deliveristas and the coercive practices employed by food delivery applications. What is the future of labor rights in the new economy?

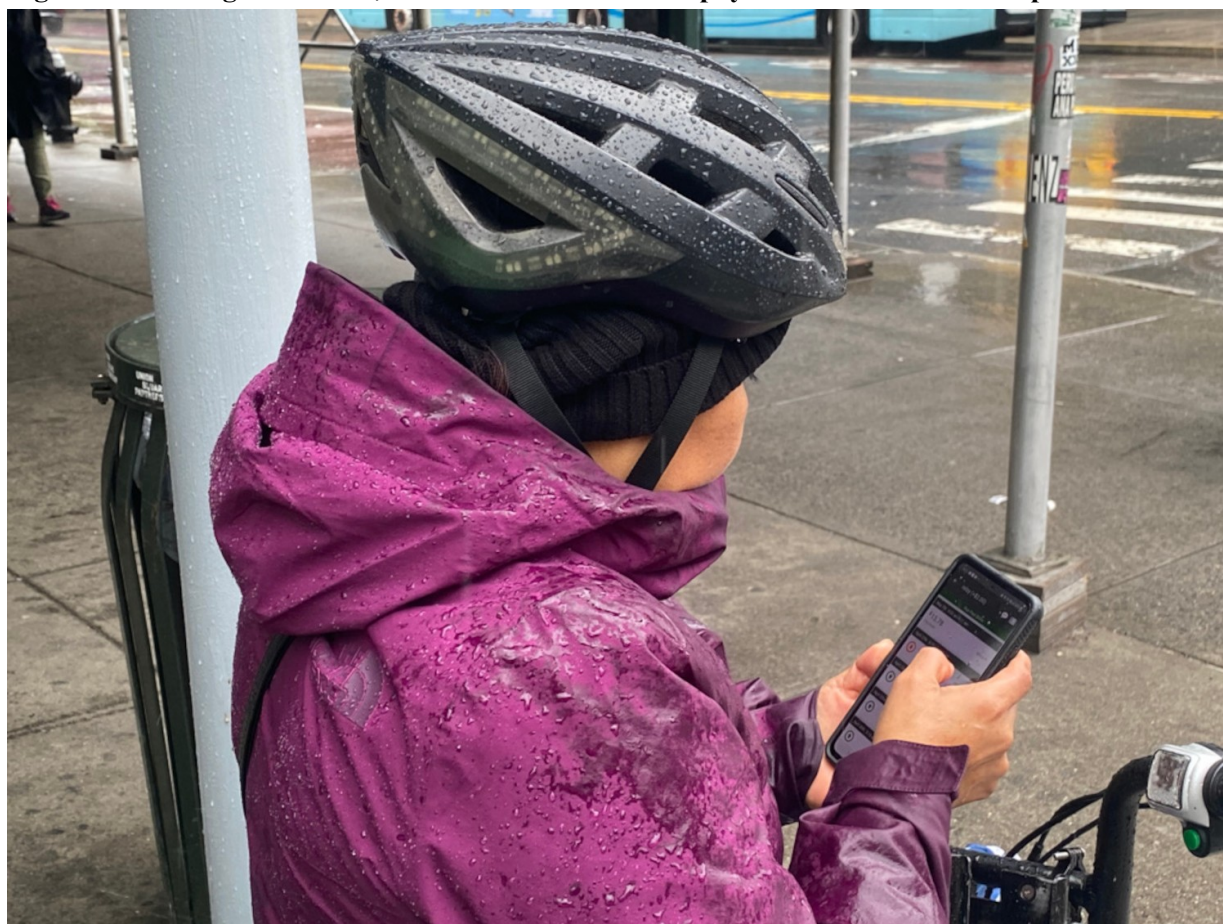
The logistics of the so-called platform economy¹ have reshaped our cities and communities. Urbanites can now get everything from groceries, toiletries and pet supplies to prescription medications, flowers and fast food delivered to their doors in minutes, disrupting the supply chains of a large swath of industries. For the multinational technology companies whose software powers food-delivery applications (Uber Eats, Grubhub, DoorDash), the primary goal is to create a seamless experience for the customer. But in this process, the logistics of on-demand delivery, including the exploitation of New York City’s delivery personnel, or *deliveristas* (as they have dubbed themselves), is rendered entirely invisible. Gig workers in New York City have become innovators in their own right, pioneering their own ways of utilizing technology in their fight for better working conditions.

Scholars and activists estimate that there were 66,000 deliveristas in New York at the height of the pandemic (Figueroa *et al.* 2021). Each deliverista pays for almost everything they use for their job, from smartphones to e-bikes, which the applications justify by claiming that their workers can control when and how they work. In practice, these tech companies use their algorithms to coerce the deliveristas as much as possible, fine-tuning pay per order based on supply and demand to push them around the city and implementing customer rating systems that are used to punish or reward them for their service. The deliveristas are aware of the coercive nature of these algorithms, referring to them as the *jefe fantasma*, or ghost boss.

The logistics of these new app-based services are made up of two components: the material side, managed by individual independent contractors, and the algorithmic side, managed by the corporation. This tension is enabled by the labor laws of most states, which allow the app-based tech giants to classify their workers as independent contractors instead of employees. For multinational companies like Uber, DoorDash, and Grubhub, independent-contractor status allows them to skirt many of the costs of hiring employees, like health insurance, sick pay, and pension funds. Perhaps most importantly, independent contractors cannot legally unionize. While the pandemic pushed some of the larger applications to develop forms of sick pay or workers’ compensation, many of the workers in this industry still experience precarity. In turn, this form of work may expand into the traditional workplace as traditional employers utilize algorithms to fundamentally change or even eradicate formal employment (Johnston and Land-Kazlauskas 2019, p. 4).

¹ See: <https://issues.org/rise-platform-economy-big-data-work>.

Figure 1. Working in the rain, a deliverista looks at the payments she received for past deliveries



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Risks and dangers of platform-based gig work for deliveristas

Independent-contractor classification permits the platforms to outsource the expenses of maintenance and equipment to the contractor, pushing their workers to develop their own strategies for sourcing materials needed for the job. In the case of food delivery in dense cities like New York, common equipment includes an e-bike (or moped), an e-bike battery, a helmet, gloves, and a delivery bag. Precarity, poverty, and a lack of regulation push many of the mostly migrant delivery workers into the informal economy, where they are more likely to buy faulty or uncertified equipment. The deliveristas are often pressed to find cheap ways to maintain their equipment or charge their e-bike batteries, providing an opportunity for fraud, exploitation, and sometimes fatal accidents to occur.

Some deliveristas have said they pay to use what are essentially informal charging stations. This takes the form of dozens of lithium batteries charging simultaneously in a building's basement or the back of a deli, which has the potential to overload the circuits. In other cases, substandard e-bike batteries are paired with bikes they are not meant for, or are charged with incompatible cords, increasing the likelihood of these lithium batteries exploding. Further, deliveristas are incentivized to work as much as possible without stopping, rain or shine, which also wears down the connection between the e-bike battery and the bike's motor. According to the New York City Fire Department, there were more than 200 e-bike battery fires in 2022.² Only a few months ago, a battery exploded

² See: www.theguardian.com/us-news/2022/nov/14/new-york-e-bike-batteries-fires-delivery-workers.

in an apartment-based makeshift repair shop,³ setting a Midtown apartment building ablaze and injuring 46 residents.

While delivery workers struggle to source safe equipment in this competitive industry, the applications focus on managing their algorithms. To connect a courier to the customers, the applications use GPS data to provide navigation for their workers. Although the applications are constantly collecting data on the shape of the city and customer demand at different times of day, there are still limits to what data the apps have access to, creating blind spots in the apps' rendering of the city. Depending on the quality of data being collected, road work or an "urban canyon" in the form of a river, ditch, or highway may not be accounted for in the navigation (Newlands 2021, p. 12). Weather conditions or which floor a customer lives on may not be deemed important enough to be included in the apps' data. These blind spots can produce real-world consequences for deliveristas because they are penalized for taking too long on a trip, which can affect their ratings from customers. Those who decline too many orders or receive too many poor ratings from customers are deprioritized in the algorithm and, eventually, banned from the app altogether (Martínez 2019, p. 240). Customer ratings are such a source of anxiety for platform workers that researchers have found many instances of gig workers discussing ways to achieve high ratings using online forums (Chan and Humphreys 2018, p. 34).

Organizing for safety and better pay

As these applications use their digital infrastructure to organize their workforce and shape their workers' behavior, our urban infrastructure in public and private spaces has changed to accommodate their business model, especially after the pandemic-induced demand of these services over the past couple of years. In addition to the construction of more bike lanes in New York City, Senator Schumer and Mayor Adams announced last October that an abandoned newsstand near City Hall will serve as the first delivery-worker rest stop and e-bike charging station (an apt symbol of the ascendancy of the platform economy and the decline of "analog" industries). An entire level of the parking garage at the recently renovated LaGuardia Airport is designed around Uber and Lyft ride-hailing. Restaurants across the city have also been forced to accommodate the modern app-based delivery system to survive the economic disruption of the pandemic. For example, many new Chick-fil-A locations in New York City are designed with almost half of their dining space being used to pass out orders to a crowd of waiting delivery workers.

³ See: www.thecity.nyc/manhattan/2022/11/11/23453693/tenants-ebike-fire-midtown-fdny-lithium-ion-batteries.

Figure 2. Los Deliveristas Unidos marches alongside other immigrant-advocacy groups in support of the Excluded Workers' Fund, which provided financial assistance to essential workers not covered by other pandemic-related programs



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Although these changes to our infrastructure have made many app-based jobs easier, workers in this industry still must work around the algorithm, which alienates deliveristas from one another. For the applications, deliveristas ideally work independently from one another, compete with one another, and work over large geographical areas. Still, the algorithms push deliveristas to congregate around high-demand areas (usually points in the city where several fast-food places are adjacent to one another). These areas have served as focal points in deliveristas' organizing strategy, where they typically organize themselves into WhatsApp or WeChat groups. During the pandemic shutdowns, deliveristas in New York City used these chat groups to begin asserting their identity as "essential workers," and later took to social media to raise awareness about their working conditions. Deliveristas who came together in Lower Manhattan at this time founded Los Deliveristas Unidos (LDU) with the Workers' Justice Project, a workers' center that also organizes construction and domestic workers. These deliveristas began gathering as much of their own data as possible, asking fellow deliveristas to screenshot their earnings, distance traveled per order, and other information that could be used to narrow the information gap between the corporations and the deliveristas. Some have started using mapping software as a tool by using a social media application called Zenly. This app allows a user to see the location of their friends and send voice messages, which deliveristas use to organize and protect one another from theft.

Building these connections has not only helped deliveristas protect one another on the job but has also enabled them to mount a campaign for more workers' rights in the platform economy. In cities across the country, gig workers' organizations have successfully pushed local government to

regulate the industry and protect app-based gig workers from the consequences of precarity. In New York City, LDU organized several rallies and marches during the pandemic to bring deliveristas from all five boroughs together to push for higher pay and more safety protections. This campaign highlighted the important role these workers played during the pandemic lockdowns and the unique precarity they experienced as frontline workers. These efforts paid off in 2021 when LDU helped craft legislation passed by the city council that orders applications operating in New York City to provide delivery bags to their workers, mandates restaurants to allow delivery workers to use their restrooms, and establishes a minimum wage for the industry. This series of legislation was the first of its kind in the country.

Figure 3. Los Deliveristas Unidos, joined by supporters and several elected officials, celebrates the first phase of implementation of New York City's app-based workers' legislation in a Times Square rally



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Even with this victory, LDU has continued to play a role in the implementation of the legislation and discussions surrounding the battery fires. The Department of Consumer and Worker Protection (DCWP) has recently proposed that deliveristas be paid \$23.82 an hour plus tips by 2025.⁴ LDU is organizing to push the DCWP even further by asking for \$28.82 an hour by 2025,⁵ citing the rising cost of gas and safety equipment. Soon after the DCWP's minimum wage recommendations, the city council held a hearing on e-bike battery fires. LDU voiced support for the hearing, but encouraged the council to consider the way regulation will impact the cost of e-bike batteries for deliveristas. These are only the first steps in forcing the platform economy to better serve the interests of its workers and our communities.

⁴ See: www.thecity.nyc/work/2022/11/16/23462218/grubhub-uber-doordash-food-worker-pay-nyc.

⁵ See: <https://documentedny.com/2022/11/22/delivery-workers-app-new-york-minimum-wage>.

At the national level, the US Department of Labor has recently announced a proposal to change rules around employment status and reclassify many gig workers, including home-care, construction, and app-based workers, as employees. Updating our labor laws for the 21st century to forbid modern tech companies from offloading logistical challenges and risks onto gig workers, as well as crafting a new framework for unionization, is essential to stabilizing labor rights in this new economy.

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