



# WORKING IN THE CONTEXT OF AUSTERITY

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CHALLENGES AND  
STRUGGLES

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EDITED BY DONNA BAINES  
& IAN CUNNINGHAM



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# **Stepping Stone or Dead End? The Ambiguities of Platform- Mediated Domestic Work under Conditions of Austerity. Comparative Landscapes of Austerity and the Gig Economy: New York and Berlin**

*Niels van Doorn*

## **Introduction: the austerity of domestic labour platforms**

How to do more with less? This is, essentially, austerity's onerous question. Its default answer, in turn, has been to defer, download and outsource the burden of being overtired and cash strapped. As Peck (2012, p 632) notes, 'austerity is ultimately concerned with offloading costs, displacing responsibility; it is about making *others* pay the price of fiscal retrenchment' (emphasis in original). These 'others' are, frequently, marginalized communities of colour and the low-income urban neighbourhoods they inhabit. Cities, to quote Peck again, are 'where austerity bites' as it 'operates on, and targets anew, an already neoliberalized institutional landscape', but does so in a highly uneven manner (Peck, 2012, pp 629, 631). What Marxist-feminist scholars have referred to as the 'crisis of

social reproduction' or, more narrowly defined, the 'crisis of care' is thus experienced differently depending on what urban household one belongs to (Fraser, 2016; Hester, 2018). In the face of enduring cuts to publicly provisioned social reproductive services and a 'post-Fordist sexual contract' that expects women to excel both as mothers and as entrepreneurial professionals (Adkins, 2016), white middle-class households have increasingly turned to the market to outsource their reproductive tasks (Gutiérrez-Rodríguez, 2010). As formal and informal markets for domestic work expand, they not only generate income opportunities for working-class minority and migrant households but also intensify their social reproductive challenges (Gutiérrez-Rodríguez, 2010). Moreover, it has been extensively documented how such feminized and racialized reproductive labour is highly precarious, un(der)-regulated and subject to exploitation by employers and labour market intermediaries alike (for example, Glenn, 1992; Ehrenreich and Hochschild, 2003; McGrath and DeFilippis, 2009). It is within this historical and socioeconomic setting that this chapter considers the market entrance of a new type of 'intermediary': the on-demand domestic work platform.

Digital platforms amplify existing power dynamics and inequalities while introducing technologies and techniques that produce qualitatively new arrangements, conditions and experiences of work, generally referred to as gig work. Whereas I have elsewhere focused on the historically gendered and racialized techniques that render platform-mediated domestic work invisible and devalued (Van Doorn, 2017), here I examine how formally self-employed domestic workers negotiate the engineering of their visibility, agency and income opportunities on two home-cleaning platforms – Handy and Helpling. As Ticona and Mateescu (2018) have shown with respect to the care industry, platforms use metrics such as ratings and reviews in combination with profiles and background checks to construct individualized forms of visibility that serve to market care workers to potential clients, 'displaying specific qualities of workers in standardized and comparable ways' (Ticona and Mateescu, 2018, p 4394). While these techniques are intended to foster trust on the clients' side, the dynamically hierarchical display of 'an abundant and always-available pool of workers' presents a novel market interface that may nevertheless exacerbate the deeply unequal power relations that have historically marked domestic work (Ticona and Mateescu, 2018, p 4394; Hunt and Machingura, 2016). At the same time, platform companies are less compelled to ensure the institutional/legal visibility of their 'care professionals' as formally employed workers, to the extent that most companies identify as labour-market intermediaries that match supply and demand, rather than as employers

or employment agencies. Although they provide clients and workers with tools for documenting worked hours, processing payments and/or calculating taxes, and despite framing the formalization of a largely informal sector as one of their main value propositions to both clients and policy makers, platforms managing care and other domestic work strategically refrain from enforcing the norms and requirements of formal employment (Ticona and Mateescu, 2018). Instead, they dissolve the formal employment relation into a nexus of private contracts and user agreements (Tomassetti, 2016).

Accordingly, I argue that domestic labour platforms engage in *selective formalization*, or a set of business practices that formalize some aspects of the gig while perpetuating and sometimes aggravating certain conditions of informality that have long characterized domestic labour. These practices structurally benefit the platform and its clients, while disempowering workers, who are expected to carry all the (administrative, fiscal and legal) burdens of a formal labour relation but receive few of its benefits. Previous studies have shown that the boundary between formal and informal employment is not as sharp as it may initially seem and that labour platforms exploit this ambiguous terrain by technical and legal means (Ticona and Mateescu, 2018; Fudge and Hobden, 2018; Moore, 2018; Flanagan, 2019). For example, Moore (2018, p vi) notes that the negative characteristics of informal work are prevalent in large parts of the gig economy, where work is under-regulated, frequently unprotected, usually ‘does not guarantee minimum wage’, ‘does not offer income security’, ‘runs a high risk of discrimination’ and offers no occupational health standards or career-enhancing educational prospects (see also Adamson and Roper, 2019). In this precarious setting, gig workers run a higher risk of being subjected to psychosocial violence that can take the form of ‘isolating people, manipulating reputations, withholding information, assigning tasks that do not match capabilities and assigning impossible goals and deadlines’ (Moore, 2018, p 2). Likewise, in her historical analysis of domestic labour market intermediaries in Australia, Flanagan concludes that digital platforms have instigated a ‘paradigm shift’ in worker control ‘from one of *dyadic* to *structural* domination’ (Flanagan, 2019, p 65, emphasis in original). Whereas domestic workers have historically worked under informal conditions of dyadic domination, which requires obedience to an individual employer, today’s domestic labour platforms enforce a semi-formalized regime of structural domination where workers can leave a household when they please while remaining captured by a platform-engineered ‘market system’ that ‘provides the primary mechanism for worker discipline’ by setting opaque and non-contestable ‘rules of the game’ (Flanagan, 2019). Echoing the previously mentioned

authors, Flanagan (2019) argues that such discipline is achieved primarily through platforms' extensive and often punitive surveillance capacities as well as their use of unilateral ranking and rating systems that operate 'as a kind of "memory" that is held by the entire market' rather than by individual employers (Flanagan, 2019, p 66).

What this study adds to the literature on gig work, and specifically to the still understudied topic of platform-mediated domestic labour (Ticona and Mateescu, 2018), is a cross-national comparative analysis of how nominally self-employed cleaners in New York City (NYC) and Berlin negotiate these conditions of structural domination and selectively imposed informality. Critically, I understand structural domination not as a totalizing arrangement but, rather, as a pressured space that leaves just enough wiggle room for people to improvise changes and switch gears, if not directions and destinations. What matters here is how 'structural domination' – as an abstract category with descriptive and evaluative currency insofar as it is derived from concrete impediments and inequalities – is articulated on specific platforms operating in particular urban labour markets populated by low-wage workers whose dependency on and approach to platform labour vary considerably. Similarly, as Baines and Cunningham write in Chapter 1 of this volume, austerity is at once 'a global phenomenon with continuities across national contexts' and a 'lived, local experience'. While I will briefly mention some national and urban austerity policies, this chapter is primarily concerned with how the logics of austerity are scaled down to the everyday practices of platform companies and gig workers.

One reason why austerity policies have seen such a widespread – if uneven – uptake across nations and regions is because they not only scaffold a political and socioeconomic project of retrenchment but also have a strong moral dimension (Muehlebach, 2016). In the words of Baines and Cunningham, again, austerity persuades as 'an ideological frame that encourages sacrifice and lowered expectations from working people and average citizens, with the promise of improvements at some undefined point in the future'. In certain ways, as I will show, platform labour satisfies austerity's moral imperative to a tee: it is a form of sacrificial labour that pulls itself up by its own bootstraps in the hope that the hard work and risk taking will pay off, either by turning the gig into a sustainable occupation or by buying enough time to transition into something better. Yet it will also become clear that labour platforms can enter people's life as a gift, making them feel like they have won the lottery. For while it is true that the gig economy's business model is predicated on austerity logics, to the extent that its two central tenets are risk offloading and continuous accounting, platform companies

are also notorious for burning through massive amounts of venture capital in their quest to achieve scale. The immediate impact of this pursuit on many gig workers has been one of relative – and *short-lived* – splendour, as they eagerly collect sign-up bonuses and enjoy initial payouts higher than any previously received wage. Platform labour's link to austerity is thus not a straightforward matter, as it is rife with ambivalence and contradictions.

The remainder of this chapter is structured into three sections. The next section situates Handy and Helpling in the socioeconomic context of two of their main markets, respectively NYC and Berlin, which both have been at the vanguard of 'austerity urbanism' (Peck, 2012). It also provides a brief overview of the research design. The following sections then offer an ethnographic account that relays the experiences of this chapter's two protagonists: Kenny, an African American Handy Pro; and Kostas, a Greek Helpling cleaner. The third section reflects on these experiences and offers some concluding remarks.

## Situating the platforms

### *Handy in New York City*

New York City's extensive welfare infrastructure became the target of politicians and bankers in 1975, when a major fiscal crisis nearly resulted in municipal bankruptcy (Phillips-Fein, 2017). The far-reaching austerity measures imposed by the financial sector to teach public officials a lesson in fiscal responsibility radically remade New York City. A year before Clinton's 1996 Personal Responsibility and Work Opportunity Act, Mayor Giuliani's Work Experience Program had already forced unemployed New Yorkers off the city's welfare rolls and into poorly remunerated public sector jobs (Krinsky, 2007). The city's income and wealth inequality ballooned and has since only continued to grow, resulting in an exceedingly polarized environment where a massive low-wage service sector caters to a class of highly paid white-collar professionals (Ehrenreich and Hochschild, 2003). This sector is sustained by the precarious labour of predominantly African American and Latinx workers whose low wages are frequently subsidized by food stamps and other forms of public 'work support' that bolster low-road labour practices (Dickinson, 2016). Domestic services constitute a large and growing industry within the city's broader low-wage sector, composed of formal and informal markets where immigrants and women of colour seek work that is typically isolated and 'only partly covered by core employment

and labour laws' on federal and New York State levels (McGrath and DeFilippis, 2009, p 74). While exclusion from such laws was redressed when the New York Domestic Workers Bill of Rights passed the state legislature in 2010, after a six-year grassroots campaign (Burnham and Theodore, 2012), its enforceability remains a serious issue and (putatively) self-employed workers are exempt.

This exemption from statutory labour laws is likely to be the reason why Handy classified its cleaners (which the company calls 'Professionals' or 'Pros') as independent contractors when it entered the NYC market in 2012, and why it continues to lobby the state legislature to pass a Bill that would legally cement this status (Pinto et al, 2019). Now operating in over 450 locations in the US as well as some cities in Canada and the UK,<sup>1</sup> Handy markets its extended range of home services as affordable and reliable to potential customers while highlighting 'great pay', a 'flexible schedule' and 'easy payments' as reasons to become a Pro.<sup>2</sup> Noting that it 'is not an employer, but simply connects independent service professionals with customers', it charges a 'trust and support fee' for this matching service but also takes a significant cut (20–50 per cent, depending on the source consulted)<sup>3</sup> from each booking. Meanwhile, the payment NYC Pros receive is structured into four rolling tiers – \$15, \$17, \$20 and \$22 – that each come with a specific target regarding the number of jobs completed and average customer rating over a 28-day period.<sup>4</sup> All Pros have a basic profile showing their average rating, jobs completed, reviews and an optional photo, but they can also purchase a Premium account for \$8 per week that allows them to add biographical information and a Premium badge – among other privileges.<sup>5</sup> Finally, the company deploys an elaborate system of disciplinary fees that 'are easy to incur, can be hard to avoid, and seriously destabilise the income streams [...] cleaners are trying to establish and maintain' (Van Doorn, 2018).<sup>6</sup>

Between February and September 2018, I conducted 22 semi-structured interviews with Handy cleaners in NYC.<sup>7</sup> Participant recruitment was challenging, due to the isolated and hidden nature of domestic cleaning, and happened mostly online (on Craigslist, Facebook and LinkedIn), where possible augmented through snowball sampling. Interviews took place in public places and lasted between approximately 50 and 150 minutes. The participant sample consisted mostly of women (15) and African Americans (15), with African American women making up the largest contingent (10), followed by African American men (5). The sample further included two white men, two white women, two Latina women and an Asian American woman. Participants were not consistently asked to disclose their age, but most were in their 20s and 30s.

### *Helping in Berlin*

At the start of the 21st century, Berlin's economic downturn converted into a fully fledged fiscal crisis as it became apparent that the city's Senate had allowed a large public banking consortium to 'engage in dubious real estate speculations and almost go bankrupt in 2001' (Bernt et al, 2013, p 127). In what came to be known as the 'Berlin banking scandal', the Senate decided to bail out the consortium and thereby created an 'extreme budgetary emergency' that 'permanently changed the framework of Berlin's urban politics' by legitimizing enduring austerity measures and privatizations aimed at reducing the city's enormous deficits (Bernt et al, 2013, p 16). It was in this austere urban environment that the far-reaching federal 'Hartz reforms' were rolled out between January 2003 and January 2005, aiming to reduce unemployment and welfare dependency. While these workfare reforms did reduce national unemployment rates, they also increased income inequality and job insecurity by deregulating temporary and non-standard work arrangements – generating high volumes of publicly subsidized low-wage jobs – while leaving the core labour market untouched (Chih-Mei, 2018). Although Berlin's income and wealth inequalities are benign compared to NYC's, the city thus also experienced an intensification of labour market dualization that has been compounded by rapid gentrification and exploding rents (Bernt et al, 2013).

Having reinvented itself as Europe's rising tech and creative industries hub, Berlin annually attracts (tens of) thousands of foreign young professionals.<sup>8</sup> When failing to land a job in their field, these hopefuls either return home or join the ranks of other labour migrants and refugees whose 'outsider' status and lack of German-language skills drastically reduce their income opportunities and push them into precarious, often informal occupations such as home cleaning. As in the US, domestic work in Germany is characterized by informality and is mainly performed by immigrant women – in this case predominantly from Eastern Europe, Asia and Latin America (Lutz and Palenga-Möllenbeck, 2010; Trebilcock, 2018). While, officially, domestic workers are included in most of the nation's labour laws (one notable exception being occupational health and safety regulation), and Germany ratified the International Labour Organization's Decent Work for Domestic Workers Convention in 2013, there are 'inconsistencies and paradoxes between the *official welfare state policy* on domestic work and the *unofficial reality* of a feminized work sector which lacks rules on workers' and clients' protection' (Lutz and Palenga-Möllenbeck, 2010, p 420, emphasis in original). Similar to the situation in NYC, the lack of regulatory oversight and enforcement, combined

with the rise of self-employment, in this sector fuels these inconsistencies (Lutz and Palenga-Möllenbeck, 2010).

Helpling, founded in Berlin in 2014, has thrived under these conditions and publicly promotes its platform as an antidote to Germany's large 'black market' in domestic services (Höhne, 2017), while accelerating the self-employment trend by classifying its cleaners as independent contractors. Active in over 200 cities in ten countries across three continents, Helpling's operations vary (slightly) per country. In Germany, the company promotes its platform to cleaners by highlighting 'complete flexibility' with respect to work scheduling, the presence of a 'personal point of contact' and the ability to 'determine your own price'.<sup>9</sup> Whereas Helpling started out with a set hourly wage (€11 in its Berlin market), it switched to cleaner-determined rates in 2018 – likely to avoid potential misclassification lawsuits. Although its commissions vary per market and type of service, the company takes between 25 and 33 per cent from the amount a Berlin-based customer pays for a cleaning. The platform encourages cleaners to add personal information to their profile, which otherwise includes one's hourly rate, average rating, reviews, number of jobs completed and one's 'verification level' (contingent on the submission of a business licence and proof of a police check). Customers can either browse profiles and select a preferred number of cleaners directly or let Helpling make the match. To reduce cancellations and increase cleaners' 'reliability', the platform used to deploy a Performance Score, but this score has been discontinued and from May 2019 Helpling – mimicking Handy – switched to a disciplinary fee system for cleaners and customers who transgress its rules.

In the period between October 2018 and June 2019, I conducted 25 semi-structured interviews with Berlin-based Helpling cleaners. Participant recruitment again happened mostly on Craigslist, Facebook and LinkedIn, but snowball sampling played a bigger role in Berlin. Interviews took place in public places and lasted between approximately 60 and 140 minutes. Save for one German cleaner, the participant sample consists solely of migrants who came to Berlin to pursue education, work and/or asylum. The sample particularly reflects the large population of young Chileans and Argentineans who reside in the city on a one-year 'working holiday' visa and sign each other up for Helpling ( $n = 10$ ). Other cleaners came from various Southern/Eastern European countries, Brazil, India, Syria, South Africa and Nigeria. Men (13) slightly outnumbered women (12) in the sample, which deviates from the gender distribution within Germany's overall domestic worker population but reflects how digital platforms have made cleaning work more palatable to migrant men.

As the next section demonstrates, drawing on Kenny's and Kostas's stories,<sup>10</sup> both platforms can function as vital lifelines for minority and migrant workers who find themselves in difficult circumstances. However, as they spend more time working through these platforms, it becomes clear that the companies governing them do not have cleaners' best interests in mind. Faced with deteriorating and increasingly punitive working conditions in which platform companies offload various forms of risk while continuing to extract rent from each service transaction, cleaners like Kenny and Kostas repeatedly have to figure out how to respond. Although small acts of resistance and risk absorption allow them to remain active on the platform, its engineered inequities and enforced austerity also motivate cleaners to experiment with informal work arrangements made possible by the platform but taking place beyond its control. Whereas such experimentation appeals to someone like Kenny, who sees a world of entrepreneurial opportunity, for Kostas it rather forms a gateway to another life, one relieved from the burdens of being a domestic cleaner.

### **A much-needed resource: Kenny's story**

Kenny says he can defend Handy all day long if he has to. The way he sees things, "you gotta think on Handy's end" because they are a smart company that allows you to make good money as long as you work hard. Kenny is an African American man in his mid-40s who grew up in Brooklyn but now lives in a remote part of Queens that is still affordable, which means that he has to travel about 90 minutes to get to Manhattan, where most of his clients live. It's a lot of travel time each day, for which he is not compensated, yet he doesn't really mind because the trains are relatively cheap as long as you stay within the five boroughs. He is good at his job, as can be gleaned from the 4.8 rating and glowing reviews on his profile, which he is quick to refer to when discussing his work experiences over the past two years. Handy entered his life at an opportune moment and helped him get back on his feet, something for which he remains deeply grateful. Nearly three years ago, he "got into trouble" at home and his girlfriend at the time put him out. Suddenly homeless, he decided to check into a shelter because he didn't want to burden his friends. There he was told that he needed to be working if he wanted to get overnight passes or support with his housing search, which is when he remembered his ex-girlfriend – and mother of three of his seven kids – telling him about Handy. The problem was that, as she had warned him, they "don't take felons", and Kenny had spent 18 months

in prison for a felony conviction in the past. This is why he first turned to Uber Eats and Postmates as a quick way to make money for the shelter contribution and child support, doing food delivery for about two weeks until shelter management informed him that app-based food delivery did not constitute a ‘real job’ because it had no set hours. At the end of his rope, he decided to try his luck with Handy and, to his surprise, the company took him on board.

The ‘onboarding’ process, as gig companies call it in order to avoid the appearance of hiring workers, was quick and smooth: “You don’t meet nobody at Handy,” Kenny says, and he was pleasantly surprised that he only had to answer five easy questions about cleaning situations. “Once you pass the test then they tell you to download the app and then they’ll be like ‘Hey take some jobs because we gonna need some money from you.’” While he, for unknown reasons, was not charged the usual background-check fee, Handy did send him a starter kit with cleaning supplies for which they took \$50 out of his first pay cheque. When asked if he thinks the company should have given him these supplies, Kenny gives me a smile communicating amused incredulity and brings up his independent contractor status as if this should nip the discussion in the bud: of course *he* is responsible for these costs, just like he’s responsible for his own healthcare insurance. This situation doesn’t worry him though, as he is still on Medicaid – despite officially exceeding the income cap – and at least he can always count on Handy to give him work: “Like, when you first look at the app and then they say you’re good, they show you work! You can get to work, get paid and get money in your pocket.” Starting at \$15 an hour, he quickly managed to work himself up to the \$20 tier and is keen on staying there. Kenny feels like he’s got it made: “It’s the best thing that’s ever happened to me [...] I mean you’ve got your freedom, you do what you do, you meet new people, I’m out here talking to you, having lunch.” Compared to his previous jobs, Handy offers him an unprecedented sense of freedom and control over his own schedule. When a cleaning falls through he can even go home early and “indulge” in some weed, without having to worry about getting fired over a urine test – something he always had to be vigilant about during his days as a customer service representative. Ultimately, “it’s the cash and the flexibility” that make this platform such a great opportunity for him.

While he loves this work, Kenny acknowledges that there’s quite some risk involved in operating via Handy’s platform and he has, over time, found ways to either hedge against this risk or absorb it in an attempt to turn it into a new business opportunity. He has noticed how more clients appear to be frustrated with Handy or previous cleaners these days, how they frequently cancel or try to reschedule at the last minute, how some

try to scam their way to a free cleaning, and how Handy usually sides with the client rather than with its Pro in cases of dispute. These experiences have taught him the importance of taking screenshots. Because “Handy has to see it to believe it”, Kenny’s phone is loaded with screenshots ready to be attached to e-mails providing evidence for his claims, activities and whereabouts. This practice is essential because Handy regularly deletes job documentation from the app. Kenny was once fined for a ‘no show’ even though he was 15 minutes early and called the disgruntled client on the number that was left on a note outside when communication via the app didn’t work. Wanting to prove his communication attempts, he turned to his app, only to find that Handy had already deleted the job information: “But I had his number still, that I called on my cellphone. So I erased all my other contacts, like all the people I had called, and sent them the thing [screenshot] saying ‘Hey I called the guy and he did not want your service.’” After much hassle back and forth, Handy finally retracted the \$50 fine and since then he’s been meticulously screenshotting his jobs.

Nevertheless, screenshots cannot protect him against all the risks that are unevenly distributed on Handy’s platform. When Kenny accepts a new client, he usually has little information regarding the size of the home or the cleaning specifications, as clients are not required to share these details. In practice this means that he is often confronted with a workload that exceeds his booked time and with ‘extras’ (that is, tasks with an additional charge) that weren’t requested through the app. Instead of asking clients to add such extras so that he can be properly reimbursed or just declining these tasks, he has an alternative strategy: “Another Pro may say they need the money or something. I don’t need nothing, I just need your repeat business, we good.” Kenny is willing to absorb the risk offloaded on him by Handy and take small financial hits as long as this “investment” pays off in the long run. Not only does a portfolio of repeat clients offer a steadier income stream, it also reduces the risk and stress inherent to dealing with new clients: “I just don’t want to have to be searching for jobs every day because that gets frustrating.” As Kenny and his peers know, labour platforms may lower transaction costs on the demand side, yet this often happens at the expense of those supplying the commoditized labour. Faced with rising costs, they seek to create a stable routine and/or to shift their transactions (back) to the informal economy that shields them from platform surveillance and rent seeking.

Kenny’s livelihood depends on his cleaning work, which he considers not just his job but a “career” despite how “people talk shit” about him cleaning toilets. Given that Handy has played such a formative role in this career, I was surprised when I heard him dismiss the company as “nothing but that stupid platform”. I think this remark reflects how he

was trying to make himself less dependent on Handy's platform, which he now approached as merely a lead generator that connects him to new clients but otherwise mostly extracts value (in the form of commissions) rather than adding it. "At this point," he told me, "I am riding with them because I could take all their customers. Like I have two, three outside that I got through Handy." He never solicits his clients directly, but has started mentioning how much Handy takes from each transaction, and when they show interest he suggests a better deal for both parties. One technology that really helps his "side hustle" is Cash App, a mobile payment service that he uses as a financial interface between him and his private clients, who usually "don't like cash". He, on the other hand, loves cash, and Cash App comes with a debit card that he uses to cash out after clients have transferred the money via the app. Handy, which knows how important daily payments are for many of its Pros, also initiated an instant cash out option, but it charges \$3 per transaction – too much, if you ask Kenny.

Still, he uses the option frequently, just like he continues to work with Handy as long as he's "getting the better end of the deal". For him, this means being able to make a decent living while enjoying his freedom, maintaining his regulars but increasingly adding private clients to his portfolio because this keeps the expensive middleman out. Otherwise, the distinction between formal and informal work is not that clear in Kenny's world, which is largely due to Handy's selective formalization of the job. While it adds a digital payment system, standardized performance metrics and work documentation tools, it also systematically erases this documentation, and its metrics render the working conditions of its Pros highly insecure. Furthermore, while it issues a 1099 tax form to all Pros earning over \$600 per year, it doesn't offer tax information or enforce payment. This suits Kenny well, as he's trying to stay under the radar of the Internal Revenue Service now that his child support contributions for two of his children have ended and he's finally making good money. "Nobody digs into my money mess with Handy," he says, and when I mention the possibility of a tax audit his response – while tongue in cheek – made my heart sink: "I mean, I am probably going to jail at some point [pauses]... at least things are good on Handy's end."

## A stopgap measure: Kostas's lament

Although Helpling does not deploy a tiered wage system for its cleaners, like Handy, it still enforces wage discipline. It does so by engineering an evaluative infrastructure generating what could be called a 'customer public sphere', in which clients are *collectively* empowered to compare cleaners'

profiles based on ratings, reviews and prices, in order to establish the best value for their money (cf. Kornberger et al, 2017; Ticona and Mateescu, 2018). I emphasize ‘collectively’ here because this arrangement does not just serve the individual client but empowers all members of the ‘customer class’ – that is, the structurally advantaged side of Helpling’s marketplace – insofar as it aggregates pertinent market information that can be consulted and contributed to by everyone belonging to this class (cf. Flanagan, 2019). Moreover, this information is also available to cleaners themselves, prompting vigilance and making price-based competition much more prevalent on Helpling than in informal home-cleaning markets whose distributed interfaces haven’t been centrally configured in favour of the demand side. Just ask Kostas, a 28-year-old Greek man who had come to Berlin two years previously for an extended holiday after finishing his degree in interior architecture and had – often reluctantly – stuck around after getting involved with someone. Like many young migrants in Berlin, he soon found out that the city’s living costs are high while the chances of finding decent work are slim when you do not speak German. Faced with limited options and realizing that his financial situation was getting dire, he took a friend’s advice and signed up with Helpling. Although he acknowledges that the platform has offered him quick and easy access to money, he increasingly resents the high commission the company charges on each job he completes. He also feels frustrated by certain changes to the platform since he’s been active, particularly when cleaners began to be able to set their own rates:

‘When I started the job I made €11 [per hour], but if you are new in the job you don’t know how much cleaners charged before. Even if you [charge] €9 it’s okay because you don’t know how the market works in Berlin. So you can ask for less money. But if I am working in the company for more than a year and I have really good reviews ...’

With a 4.8 rating and over 400 completed cleanings, Kostas feels like he should be able to charge more than newcomers. But because Helpling allows cleaners to set their hourly rate (after commission) as low as €7.50,<sup>11</sup> he fears a race to the bottom in which more cleaners will feel compelled to decrease their rates in order to stay competitive in an environment where high ratings and good reviews are the norm rather than the exception. In this sense, the ‘evaluative inflation’ on the platform forces cleaners to compete on price instead of quality, in a market for labour that may be less fungible than food delivery but is nonetheless routinely subject to commoditization. Kostas believes that Helpling should raise

its wage floor and do more to discourage new cleaners from charging less than €11. Not only have the costs of living gone up, he argues, but you also have to take into account that you have to pay for your own insurances as a self-employed cleaner, which is something Helpling doesn't sufficiently bring to people's attention. When I note that the platform at least offers price recommendations based on 'cleaners with similar profiles', he counters that these recommendations are exactly the problem because they show how low a lot of people are willing to go. In other words, rather than operating purely in a prescriptive manner, this device is at once *descriptive* of segmented price-setting behaviour and *performative* insofar as it influences this very behaviour: if you set your rate below the recommended margins you may get more work (Espeland and Sauder, 2007).

Besides the price-setting system, Kostas thinks that Helpling's Performance Score (which at the time purported to measure cleaners' quality, reliability and communication) also contributes to the degradation of working conditions on the platform. Before its implementation he could cancel a client 48 hours in advance without repercussions, but now any cancellation lowers the score on the metric of reliability, and if that drops below a certain threshold his account could be temporarily blocked. He doesn't just experience this new measure as an infringement on his freedom to call in sick or protect himself from bad clients, but also finds it offensive because he believes that his quality or reliability cannot *and should not* be measured in such an impersonal way. To him, the score rather measures Helpling's lack of trust in its cleaners and its eagerness to please its customer base. Performance scores, reviews and starred ratings offer control to clients while putting more pressure on cleaners to keep up their metrics and keep down their prices, in order to appeal to the all-seeing eye of Helpling's prudent customer class. In this setting, Kostas is happy that his regular customers offer a measure of protection against the growing work insecurity induced by the platform.

Since his arrival in Berlin, Kostas has been depending on a European travel insurance to cover any healthcare costs that he might incur, although he is not quite sure how much it actually covers or if it covers him while working in people's homes. He went with this option because he's not able to afford the notoriously expensive German health insurance for freelancers, which is why he wants Helpling to contribute to its cleaners' insurance costs. This is just one of his many grievances with the company, which by now he cannot wait to leave because he feels that "they don't give a shit about you". Still, he continues to work through Helpling because he likes his regulars and he needs the money. He has also noticed that many German clients are hesitant to break Helpling's rules by taking

him off the platform, and they don't realize that the company takes a cut from his wages. On a couple of occasions clients did solicit him with a reasonable offer, however, which he gladly accepted because it's more money in his pocket and he does not think he needs the platform anymore (echoing Kenny). While it has given him market access, it has provided nothing in terms of income or social security, and it ultimately even ruined this market for him. There was a time when he still had the good faith and energy to work on earning the trust of his platform-mediated customers, but these days Kostas feels tired. He is tired not just of Helpling but of cleaning work more generally, of Berlin and of living in Germany. His heart yearns for Athens and he really wants to work in a field where he can put his degree and skills to good use. While he realizes the difficulty of finding a job back in Greece, given the present circumstances, he also wonders how hard it can be compared to his experience in Berlin. At least he speaks the language there.

Although he's still on the platform, Kostas acts like he already checked out. In contrast to Kenny, he has nothing good to say about the cleaning platform he has used for nearly two years: "If it wasn't Helpling, it would have been another platform or something more creative. I can't feel grateful for Helpling because I'm doing all the work." While doing all this work, he allowed himself to fall "into the hole of Helpling", which he now regrets. He just got too comfortable in this hole, which shielded him from Berlin's disappointing labour market prospects, but now he is determined to pull himself out of it and move on with his life.<sup>12</sup>

## **Discussion and conclusion**

In the context of an 'acute confluence of austerity, diminishing public welfare, and fragmentation of formal employment' (Thieme, 2018, p 529), domestic labour platforms like Handy and Helpling can offer an important economic lifeline to vulnerable labour market 'outsiders' such as minorities and migrants. Yet what initially constitutes a stepping stone or stopgap opportunity eventually becomes – or threatens to become, if one doesn't continue to step up – a dead end. In cities where, for many inhabitants, 'crises become unexceptional, and where coping with uncertainty is normalized' (Thieme, 2018, p 530), these outsiders develop a 'hustle' at once enabled and thwarted by platforms that constantly experiment with labour-market governance and segmentation while operating on the cusp of formality and informality (cf. Van Doorn and Velthuis, 2018; Ravenelle, 2019). Improvisation, in this sense, comes from both sides, although information asymmetries and other data-driven instruments

of structural domination regularly give domestic labour platforms and their customers the upper hand (Flanagan, 2019). Moreover, the previous section demonstrated that the opportunities and challenges of platform labour are unevenly distributed and some workers are better positioned than others to absorb the risks/costs attendant to platform companies' selective formalization of the labour relation and process.

Kostas initially perceived Berlin less as the origin of Greece's post-crisis suffering and more as a destination imbued with the possibilities of a temporary reprieve. His dismissive attitude toward Helpling and platform-mediated domestic work stems as much from his educational and professional trajectories in Greece – co-constitutive of his gendered class identity – as from his imagined prospects in Berlin or another European city. After all, as a European citizen Kostas is more mobile than non-EU migrants or refugees (Könönen, 2019), especially given that he doesn't have any dependents to care for: if Berlin doesn't work out, he can always return home or try again elsewhere. So, while he occupies an outsider status on Berlin's labour market, primarily due to his struggles with the German language, Kostas has accumulated enough 'human capital' to treat Helpling as little more than a stopgap that holds him over until he finds something better. In this position of relative privilege, the costs and insecurities of platform-governed self-employment are reluctantly accepted as a passing burden, such as when Kostas relies on his cheap travel insurance as a provisional healthcare solution. Conversely, Kenny's reliance on Medicaid is less of a provisional solution and more of a protracted predicament. Likewise, his job mobility is restricted, due to his criminal record, while his kids will need his support for years to come. For Kenny, faced with limited funds and mobility, New York is closer to destiny than destination. He has to roll with the punches and has more to lose – but also more to gain – than Kostas, which explains his entrepreneurial approach to domestic cleaning and his readiness to build on what Handy has made available. However, it is exactly what Handy is *not* making available, namely a formal set of resources that can support and educate Kenny as well as other precarious independent contractors with respect to tax compliance, that threatens to eventually disrupt his entire livelihood. Beyond individual biographies and labour-market trajectories, the long history of institutional racism and mass incarceration of African Americans in the US positions Kenny as a de facto outsider in his own country despite his formal citizenship, intensifying his vulnerability to Handy's selective formalization of his labour.

Finally, on a more general note, to emphasize that platform labour is primarily migrant and minority labour matters insofar as it recalibrates the parameters for a critical discussion about how and to what extent 'the

‘gig economy’ exerts a downward pull on labour conditions and erodes the norms, standards and protections scaffolding ‘regular employment’ (for example, Daugareilh et al, 2019). While certainly not denying such dynamics, I believe that claims regarding the degradation of labour by gig platforms tend to mobilize a comparative frame of reference that has little bearing on the everyday circumstances of many gig workers and indeed is increasingly belied by the practices and logics of neoliberal labour-market governance. It is evident that we did not have to wait until the advent of gig platforms to witness the decline of the standard employment relation in various sectors, or the massive expansion of low-wage, insecure jobs (for example, Crouch, 2019). Platforms, as amplifiers, have a structural tendency to accelerate and scale the labour-market dynamics and arrangements that have been over four decades in the making, thereby crystallizing existing problems now subjected to a resurgence of public scrutiny that is often too narrowly focused on platform culpability. Although this scrutiny is justified and useful, it is equally justified and useful to scrutinize our own assessments and aspirations with respect to platform labour. Are we expecting this type of work to be better than traditional forms of precarious work just because it is governed by a platform? When we judge platform labour to be ‘degraded’, what do we compare it to (Doussard, 2013)? As I have shown, for minority and migrant workers whose experience with and short-term prospects for finding a ‘decent’ job with proper protections and pay are minimal at best, gig work can present a provisional step *up* rather than down. Yet I have also demonstrated how working conditions and income opportunities on the platform tend to deteriorate over time, suggesting that labour degradation is more salient as a problem internal to platforms – as companies seek scale and profitability – than in comparison to other industry actors. Moreover, the broader point is that nobody should have to choose between a rock and a hard place. Instead of raising our norms and expectations solely with respect to platform labour, we should collectively raise the bar on non-standard work and social security in post-welfare societies by organizing and legislating for higher wages, broader protections, more enforcement capacities and a robust, redistributive social safety net. This would present ‘gig economy’ companies with a new status quo: either follow suit or close shop following a worker exodus.

## Notes

- <sup>1</sup> See <https://www.handy.com/locations>.
- <sup>2</sup> See, respectively, <https://www.handy.com/services/cleaning-service> and <https://www.handy.com/apply>.

- <sup>3</sup> In 2015, Handy claimed that it charges ‘about 20 per cent on the average booking’ (see <https://slate.com/business/2015/07/handy-a-hot-startup-for-home-cleaning-has-a-big-mess-of-its-own.html>). However, numerous Handy Pros claim this percentage is usually much higher, as can be gleaned from browsing their reviews on Indeed: <https://www.indeed.com/cmp/Handy/reviews?ftopic=paybenefits>.
- <sup>4</sup> See <https://prohelp.handy.com/hc/en-us/articles/217290407-Payment-tiers>.
- <sup>5</sup> See <https://prohelp.handy.com/hc/en-us/articles/115011938868-Pro-Premium-Accounts>.
- <sup>6</sup> See <https://prohelp.handy.com/hc/en-us/articles/217287967-What-are-fees->.
- <sup>7</sup> This research is part of a five-year project entitled Platform Labor, funded by the European Research Council. It investigates how digital platforms are transforming low-wage labour, social reproduction and urban governance in post-welfare societies, zooming in on NYC, Amsterdam and Berlin. For more information about the project, see <https://platformlabor.net>.
- <sup>8</sup> See <https://www.berlin.de/sen/wirtschaft/en/about-us/artikel.458761.en.php>.
- <sup>9</sup> See <https://www.helpling.de/anmelden>.
- <sup>10</sup> In order to do justice to the richness and complexity of cleaners’ experiences with these platforms within the given space constraints, I have opted to zoom in on one cleaner per city. I have selected these two cleaners because their socioeconomic backgrounds and experiences are in many ways representative of the total sample of cleaners interviewed in each city. Although the majority of the cleaners interviewed in NYC were female, Kenny’s narrative aptly represents the entrepreneurialism, lack of better job opportunities and childcare responsibilities that were prevalent themes in the interviews and in informal conversations I had in this city. Meanwhile, Kostas’s experience as a well-educated Greek migrant in Berlin is representative of the relatively large share of highly skilled migrant men (and women) who work through Helpling in this city, and of their disassociation with the role of domestic cleaner.
- <sup>11</sup> Helpling has since raised the minimum rate to €10 per hour in Germany.
- <sup>12</sup> A few months after this conversation, Kostas informed me that he and his boyfriend were moving back to Athens to pursue new job opportunities there.

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