

***platformization
of Poland:
emerging
battlefronts
in the digital
economy***

·ZENTRALE

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In 2014, Uber was preparing to enter the Polish market. Among the documents discovered by a team of investigative journalists (“Uber Files”), there was a corporate lobbyist’s email written to a Polish consultant who asked for the guidelines on opening the app in Poland:

„Bartek, there are no case studies per se – basically Uber launches, and then there is a regulatory and legal sh*itstorm”.

A decade later, in Spring 2024, the UE passed a directive on improving working conditions of those employed via digital platforms, which made the Polish state take their first approach to civilizing work on the platforms. Meanwhile, digital platforms’ image began to change dramatically. The old promises of “sharing economy” and of a digital techno-utopia have all but disappeared. What dominates today is

fear of the impact that Big Data have on our lives, made worse with the fact of the social structures and institutions unprepared to curb or alleviate the effects of their actions.

I discuss the history of Polish battles with platform work, based on food delivery and transportation apps. Using their visibility and popularity, they have become the flagship representation of this phenomenon in the collective consciousness; they also share a common and quite peculiar model of organisation of labor. The phenomenon is however not limited to these two sectors, and, according to the European Commission's analyses, it can be expected to spread dynamically in the future. Therefore, it is even more pressing to look more closely into the economic conditions that made this model so specific and into the connection with acts of social actors who attempt at finding their way in the ongoing shitstorm about the platforms.

WELCOME TO TECHNO-FEUDALISM

Platform capitalism in its cur-

rent form is a brainchild of the 2008 financial crisis. The speculative market crash put the feasibility of the old investment strategies in doubt. At the same time, in reaction to the crisis, governments and central banks of the biggest Western economies launched a policy based on low interest rates and quantitative easing, meaning they simply pushed cheap money into the pockets of their investors in the hope of productively putting it in circulation. In the situation marked by the crash and precarity, every investment bore, however, a great risk. Therefore, most investors turned to mechanisms that guaranteed secure profits in return for a large capital investment. The age of buying up own shares, of private equity funds and of speculation in goods, real estates and public infrastructure, began.

In his 2023 book "Techno-feudalism", Yanis Varoufakis indicates that the technological branch seemed at first to stand out as a positive exception: a sector where money was indeed invested in the development of enterprises. However, while

a traditional capitalist impresario invests their capital in order to control the process of production (building factories or offices), digital enterprises have focused on building platforms in order to control human behaviour and the marketing processes. They function as a type of infrastructure (servers, apps, algorithms) that enables connecting buyers of goods and services with their suppliers. In return for the access to its “market”, a platform charges a fee off each transaction. To Warufakis, this system can be named “techno-feudalism” – a new socio-economic formation, where profits stem no longer from dominating production, but from the control over digital fiefdoms. Whether we agree with the Greek economist to the concept of a downfall of the current form of capitalism or not, what matters is his observant thought, that the structures produced by platforms create a specific and non-traditional market dynamics. It is this specificity that is the source of power of platform capitalism, also because it creates new and uncharted working environment for the same forces that were supposed

to control and civilise it – the state and the workers’ movement.

THE END OF SUBSIDISED MILLENIAL LIFESTYLE

Let us go back for a while to this millenium’s second decade. Back then, it was still a period of innocent consumption. We grazed as we liked on platform meadows lush with cheap services. Even free services, like Google or Facebook, offered a quality product – with no omnipresent ads or content-castrating algorithms. We might have spent 50% of our incomes on housing, but for the remainder we could have bought trips, deliveries and stays in immeasurable abundance. Then it all started to rot. First, we learnt that platforms put our democracy in danger. Over time, they fell down on our personal election lists – those where we vote with our wallets. How did it happen?

In the early phase of activity, platforms are meant to operate at a loss; they subsidise their services, in order to attract users and build a strong market position. Their *modus operandi* is not unlike infrastructural inve-

stments demanding large capital with a long payback period. Here, however, the infrastructure does not take a physical form, but rather takes the form of habituated behavioural patterns and preferences. The platform in this shape is a good uncle with a bag of money which he distributes among his users and workers, and their happiness is still more important than the profits. In the second phase, the platform begins to tighten the noose around everybody who does directly pay it; the end user still enjoys quite good conditions, but the workers (and free account holders) begin to get hit. If the platform starts feeling strong enough, it enters the third phase. This is the heyday: fees from each transaction skyrocket, which, combined with increasing prices of the services and decreasing remuneration for service providers, means gigantic profits, necessary to redeem the capital invested in the dumping model of operation mentioned with the two previous phases.

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To whoever has not realised yet: we have just entered the third phase. The post-pandemic inflation and the increase of interest rates have exceeded the patience of the investors; the patience that had been so great. As we read in “City a.m.”, Delivery Hero (the owner of Glovo and others) has recorded 7.8 billion dollars in operation loss since 2017, Just Eat Takeaway (in Poland known as Pyszne.pl) recorded 9.1 billion-dollar loss since 2020, Doordash (the owner of Wolt and others) 2.6 billion-dollar loss since 2020. Uber lost 22.1 billion dollars in 2018-2022, but in 2023 it marked a profit for the first time.

The phases of economic development of a platform are intertwined with the dynamics of its legitimisation. It usually begins with the shock doctrine. One fine day, thousands of electric scooters show up in the city's streets, cars begin taking their passengers, and food starts being delivered. The pre-emptive stri-

ke makes the law and regulations be the party that adapts to the platform, not vice-versa. This is being helped by a particular ideology, based on “disruption”, a vision of technological avant-garde and a promise of freedom and flexibility brought to you by “sharing economy”. This nebulous construction is based, however, on very concrete financial foundations: subsidies, by means of which platforms maintain low prices of their services. The millennial lifestyle shaped between the fall of Lehman Brothers and the Wuhan virus is thus subsidised by venture capital.

Having won a consumer over, the platform begins to weaponize them. The direct access to our phones’ screens becomes the most useful weapon against the state attempting to make companies follow rules. The blackmail is at times very simple. All attempts at regulation may only lead to an increase in prices. If nevertheless the government is dumb enough to regulate, a platform may quit the market – like Uber did, quitting the Danish market in 2017 after Denmark passed changes

in regulations concerning the operation of taxis. This is not specially difficult, taking into account the “lean” operating model – after all, the corporation does not own anything nor does it employ anyone. In 2020 a referendum was held in California on a project offering to define platform workers as independent contractors, therefore stripping them off their basic workers’ rights. Platforms spent 205 million dollars to support the project, which included messages displayed on the phones of everyone living in the state, prompting to vote “for” directly in the platform. The project was finally passed. After a similar campaign failed in New York, where minimum wage for delivery couriers was passed, Uber Eats began adding a special fee to every delivery, described as compensation for the higher wages.

The strategy of setting workers and consumers against each other has, however, its limits. All in all, for the platform to be profitable, it has to take more for itself to the detriment of both groups. Another phenomenon has

been observed lately: solutions developed in order to optimise platform work's costs are beginning to be taken over by companies beyond this sector and exploited, among other aims, to aggressively increase prices, using the dominating market position and behavioural tricks.

The platform ecosystem aims to realise the neoliberal utopia and finally abolish the categorical distinction between different types of goods. Work is seen to be only one of them, among many others, exchanged freely by individuals according to individualised parameters, managed in real-time by algorithms. Therefore, the shitstorm around the platforms is not just a conflict over distribution – the struggle over who is left with more cash in their pockets – but it constitutes a deeper argument over the question of the future of work itself.

THE SERVANT, THE SERVICE AND THE SERVICE MASTER

Emil Zola's "Germinal" is a novel about French miners, who, working in dreadful con-

ditions, decide to organize and strike. Nothing comes of it, and in the end an anarchist blows up the whole shebang. The book, considered one of the classics of workers' movement's literature, was published in 1885, but is set in 1867. Zola's miners are not employees. The company that owns the mine considers them independent contractors, who bid for the right to dig each adit and have to pay individually for lighting or for tools of their labour. This system has its consequences. First of all, the pay is extremely low, and every attempt at calling for a raise meets the response that remuneration is being decided by means of free competition between the contractors. Secondly, in order to keep their heads above water, the miners are forced to found a form of family companies, exploiting the labour of younger and younger family members, mining longer and longer hours. Secondly, the mine bears absolutely no responsibility for its contractors; in case of an accident or illness they are left on their own, replaced with another member of the reserve army of labour. Sounds familiar?

The possibility of burdening the employee with the risk carried by running an operation or by their own social reproduction (illnesses, accidents, retirement pension, vacation), while at the same time maintaining almost total control over the process of labour is simply incredibly profitable. The model of organising work where workers are placed as “independent” entrepreneurs doing piecework, shows up everywhere where there is a reserve of workforce, and where the state cannot or will not enforce minimum standards. Such a situation followed the crisis of 2008. The economic turmoil made more and more workers unable to find well-paid employment. Many were forced to accept lower pay or seek extra jobs to make up for their inadequate wages. This caused the growth of underemployment – work that is not very productive, poorly paid and precarious.

The new face of the attack on workers’ rights stands out mostly in the unprecedented control on part of the capital, using new technologies. In work relations we have always observed

a domination of the employer over the employees; now, however this domination has been quantified and integrated with algorithms which work incessantly to maximise it. Technology also allows a form of masquerade. In most legal systems, what makes work different from other ways of providing services, is the subjugation of the employee, the control of work by the employer and the employer carrying the risk. For a long time this differentiation was uncontested, since a large-scale organisation of commercial activity demands means of management which an employment contract provides. Naturally, platforms need to provide continuity of their services and uniformity of their quality as well. Owing to new technological solutions, they can, however, introduce different ways to organise and control the work, structured in a way that makes it difficult for the state to recognize them as such. Therefore, in most Western countries, delivery workers and platform-employed drivers figure as independent company holders and not employees, thus becoming a part

of a wider discussion of fictional self-employment and the sense in maintaining a dichotomic division into the employee and the employer. Undoubtedly, this is one of key problems determining economic relations in the future. Sadly, it has no chance to be amplified in our country, because it is here that we managed to create an even more problematic model of employment by platforms.

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The expansion of platforms on the Polish market coincided with the golden age of precarisation of this country's job market. The availability of "flexible" job market tools and the institutional weakness of the state gave a more complex structure to the Polish case. Between the platform and the worker we have an intermediary – the agent called a fleet partner. This model is perfect if one wants to outsource their legal risk. The idea is very

simple. If hundreds of middlemen figure as employers, and there is no legal link between the delivery couriers or drivers, and the platform, it is easier to use those manners of "employment" which are controversial, to say the least. Usually, a worker provides services in the app, and then pays a flat fee for "bookkeeping" to the fleet partner, and his remuneration from the platform is being paid by the partner using the famous bicycle rental contract scheme. Namely, the worker rents their bicycle (while keeping his right to using it) to the fleet partner, in exchange for a remuneration taxed only with a flat-rate personal income tax of 8.5%, with no burden of social security (ZUS) contribution. In addition, if there is any contract provided, it is a commission agreement for 200 zloty, in order to keep up appearances and maintain the right to health insurance. This gargantuan scheme means that workers exploited by the platform are being pushed out of the normal social security system, which has its consequences in case of an illness, injury or old age. It poses a big problem to organised worker struggle, too.

WORKER MOVE(MENT)S

You may often hear that work for platforms is extraordinarily atomising and alienating – delivery workers and drivers working in isolation, with not much space for contact and cooperation with other workers. There is much truth in that – platforms pose a challenge to self-organising. Nevertheless, one may risk saying that the number of different protest actions in this sector is rather high. Their dynamics has been structured by a digital platform's life cycle. First to stand up, in 2014, were taxi drivers, in those days being accused of defending their monopoly and of standing in the way of progress. They quickly lost on the PR battlefield, and their forms of protesting, at times violent, helped little. Nicknamed “zloto-wy” (penny-pinchers) they were pushed to a position where the only argument left to them was one of safety, at times presented in racist context.

The early protests did not meet the public's understanding also because Uber quickly amassed a great number of users and its

vehement defenders. It stood out as comfortable to use and transparent, but it was the price that happened to be the key factor: app rides were simply cheap. Drivers were also happy, being paid satisfyingly, although the peculiar character of pay count promoted short-term gains with the detriment to social security. The platforms' offer is, however, always focused on the present. The context and the long-term perspective remain hidden from the workers, while any doubts can be drowned out by the dopamine-packed intense gamification. Food delivery was a service that came to the Polish market relatively late compared to ride-hailing. Lacking even those scarce administrative regulations that the taxi market still enjoyed, food delivery offered a perfect employment model from the point of view of the platform – with virtually no employment barriers. It gained a crucial role during the pandemic, which for the branch was a period of rapid growth on the one hand, while on the other – of increased visibility. The sight of empty streets traversed by couriers with colorful backpacks is firmly in the public memory.

The end of the lockdown brought upon some disruption. During the pandemic, the food delivery market climbed to its peak, and while it stabilised on a level exceeding that of 2020, it became clear that the push for the next stage of platforms' life-cycle, the one of tightening the noose around its workers, would be necessary. What makes contemporary platforms different from their historical precedents, like piecework and contract work (cottage industry), is the possibility of real-time modification of prices and pay reflecting the dancing supply and demand curves, offered by technology. What is more, the lack of any regulations guaranteeing the employees a minimum-level pay stability, leaves room for pay cuts administered virtually overnight, with no special explanation and no formalities. It was the sudden pay cuts (usually masked as a change in the algorithm which calculated the pay) that provoked nearly all worker protests which have been quite numerous: In 2021 Glovo delivery workers went on strike in Gdansk and Białystok, in the winter of 2023, Pyszne.

pl couriers had a strike in many cities and towns countrywide; in June 2023 it were Glovo delivery workers in Walbrzych, then Wolt couriers in Wrocław in August 2023, and recently (March 2024) Glovo delivery workers in Poznań and Grudziądz.

The main characteristic of all these strikes was turning employment precarity against the employer. The Polish Act on Collective Bargaining, regulating strikes, is one of the most restrictive in Europe. Halting work legally in a large enterprise, especially one where workers are geographically scattered (just like platform-employed workers), is nearly impossible, which was actually the intention of its authors, the team of General Wojciech Jaruzelski. Food-delivery couriers are, however, not workers from the formal point of view. In turn, the correlate of the lack of a guarantee of the ability to perform work on the part of the company is the lack of an obligation on the part of the employee to provide work within a certain period of time. Therefore, nothing stands in the way of workers collective-

ly deciding not to work for a period of time, effectively holding a strike with no formal strike whatsoever.

Using unregulated methods is, however, not without consequences. Platforms can simply dismiss wildcat strikers, which happens with no official procedure; they simply delete a worker's account in the app. The absence of any legal connection between the platform and the worker makes any action in such case impossible; it also makes institutionalizing workers' actions difficult. The absurdly confusing employment scheme would force trade unions to formally register with fleet partners (of which Poland has hundreds or more) while still having no right to an action considering the platforms. Therefore, it is no surprise that trade unions have only formed at Pyszne.pl (in late 2022; this platform does not use fleet partners as intermediaries) and recently among food delivery workers at Glovo in Poznań, following strikes (Inicjatywa Pracownicza Kurierów). The latter has, however, only the status of a local committee, meaning it

does not enjoy the same rights as typical union chapters operating at a given workplace (including union members protection or collective bargaining).

On platforms, union action is challenging in many ways. Partly, due to law on unions not being up to date with the reality of modern digital economy; partly because of the specific nature of this industry (workers being scattered means a union has to focus on online communication and online action); and partly, due to the financial model, especially the type of management we may refer to as "cheap Taylorism". The platforms are interested in attracting the capital necessary in order to cover their current losses. The profitability perspective remains much delayed, therefore a key resource to boast to investors is technological optimization. This results in constant experimentation with often very minor changes in workflow, which are directed at improving the algorithm rather than increasing efficiency. Constant variability in a complex algorithmic environment causes confusion and makes it difficult to set and

implement clear demands. The union at Pyszne.pl is, however, not without successes - such as a universal bonus for working in winter, or the introduction of solutions minimising the problem of unguaranteed working hours in the schedule to an extent. Unfortunately, the successes are still limited.

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The significant restriction of the possibility of action through traditional union channels makes it a prerequisite for improving the situation in the industry to abolish the special status of platform work and bring it under normal legal rules. Unfortunately, this problem has not been considered seriously by Polish authorities to date. The rudimentary countermeasures taken so far have been limited to administrative regulations pertaining only to the transportation of passengers: equalising responsibilities of app drivers and taxi drivers when it comes to owning

a special license or having the car marked. The latest innovation in this field (came into law in June 2024) is the obligation that the driver has a Polish driver's license. All above-mentioned steps were motivated by safety issues. In no way did they address the pathological employment structure that lets platforms shed any responsibility for the people working for them. Not only did they refrain from limiting the activities of the fleet partner system, one of the main factors allowing large-scale disregard of the law, but they fossilised this system through binding fleet partners with the procedure of issuing taxi licenses.

ABOLISH THE CYBERLORDS

It is no secret, that in the Big Tech race, Europe has fallen behind. The main corporations of the tech sector (including the platforms) are either American or Chinese. The fact is often being mentioned to explain the fervor of EU institutions tackling the worst aspects of tech giants' operations, such as monopolising practices or inade-

quate personal data protection. Undoubtedly, there is something at play here. However, the European protectionism should not serve as an explanation that blinds us to the fact, that it is the phenomena resulting from, or at least mediated by, digital platforms that are now at the center of the political and civilization debate. Algorithms, fake news, dopamine pathways, and recently, the AI, are mandatory threads in any decent analysis today. The favorable conjunction of these two factors explains why, not famous for its pro-worker stance, the European Union has worked on ambitious legislation aimed at regulating the status of platform workers.

It is no easy task. Earlier solutions used in several member states, met considerable challenges. The French system, based on considering platform workers as self-employed, while they are subject to the collective bargaining system in pushing for minimal working conditions, is often criticised as ineffective. The standards gained through its framework are often lower than those of-

fered by platforms themselves earlier. In 2021, Spain passed a law introducing presumption of an employment relationship for food-delivery couriers, but it experiences constant problems with successful enforcement of this law. The same direction has been taken by Belgium, too; the long-term legal trials resulting thereof, did not show their first, modest effects, until early 2024. Platforms are, therefore, as we have seen, aggressive players, currently forced to intensely seek profitability. This made EU-wide regulation the most promising to succeed, as it prevents corporations from blackmailing individual nation states with the threat of quitting their markets, and makes political pressure, like the one where the US ambassador in Poland issued a protest against „Lex Uber” in 2019, more difficult.

The fate of the EU’s directive to improve working conditions via digital platforms hung in the balance for a long time. It was finally passed (with votes „against” cast by France and Germany), with undoubted impact of grassroots pressure which a wide co-

aliation of trade unions, activists and researchers directed at the European institutions. Nevertheless, it was not without difficult compromises. The directive introduces presumption of an employment relationship in case of work relations characterised by control and management of the Platform over the process of working. Importantly, the burden of proving that the worker is not an employee, but an independent entrepreneur, will be on the platform. In addition, a number of solutions are being introduced to regulate management by algorithms - employees will eventually live to see the right to obtain justification for a decision made by automated systems, to appeal such a decision to the platform's designee, and to limit their scope (an automated decision will not be enough to dismiss a worker, for instance). Monitoring and managing algorithms will not be allowed to process certain data, either, including the information on a worker's mental and emotional condition.

What is important, are the new rights of trade unions: they gain right to communicate with

employees by electronic communication channels that are free from platform's control. This is almost revolutionary in Poland, where the law nowhere allows this straightforwardly, leaving organisations with anachronistic solutions such as cork bulletin boards. Unions organised with platforms hiring over 250 workers are also allowed to receive the aid of an expert, external to the company but paid by it, who will control the operations of algorithms employed in the enterprise. Once more, we see a regulation two levels more advanced than the solutions offered by the nation-state. So far, no possibility of receiving information from the employer on how an algorithm works, has been proposed, although it is this algorithm that may simultaneously decide on working conditions and pay, or even on dismissals. A drafted bill granting unions this right has been filed at the Sejm [lower chamber of Parliament], but it does not include the expert assistance, which, where contemporary systems are highly complicated, may largely obstruct the use of this right.

THE PERSPECTIVE AND THE CHALLENGES OF IMPLEMENTING THE EU DIRECTIVE IN POLAND

Given quite a neoliberal structuring of the Polish public debate, not much space is available to discuss the impact of new technologies on work. Therefore, what we mainly hear is apocalyptic, catastrophic fantasies about them. The clumsy nature of these seems to justify the assumption that they are more about disciplining the workforce than trying to understand anything. However, it is a discussion we cannot evade, and we need to start it now. The directive on improving working conditions in platform work, which Poland is obliged to implement no later than in the fall of 2026, may be the first step in this direction. Some of the solutions there may (and should already) be extended to all enterprises, including non-platforms.

A directive is an instrument harmonising the legal systems of member states, setting up its

framework, while leaving the decision about the details to the authorities of each state. The devil is in the details, though. Remembering for how long platforms have fought against regulations, how weak this state generally is on the institutional level where labour market has to be controlled, as well as how complicated the national employment system is with the intermediary role of fleet partners, the most euphemistic expectation is that „it won't be easy”.

When discussing the chances opened by the directive among Pyszne.pl's delivery co-workers, one of my workmates said: „It's all well, but I'm afraid it will end up like with Żabka supermarkets and the Sunday trade ban”. While working on this text I learnt that Uber and Żabka had co-sponsored Rafał Trzaskowski's Campus Polska event (the Polish Macron follows here in the footsteps of his original known for his problematic relations with platform lobbyists). The capital has mobilised; time for us to do the same.

WE ARE ZENTRALE

We are a group of delivery workers employed in different companies and delivery co-ops, in different cities.

Zentrale started as a delivery co-op, operating during the 2020 pandemic in Warsaw. We now commit our work for workers' rights. We demand the immediate end to the exploitation of workers by different online platforms that live off our work with no regard for any workers' rights.

We would also like to help platform-using customers understand that they take part in the exploitation; that they help continue it.

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***this is a brochure
about how
the Delivery
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set the rules
of the game***

***and
how the State
left
workers***

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