

The Emerging Nature of Work in Platform Economy Companies in Bengaluru, India: The Case of Uber and Ola Cab Drivers

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Abstract. This paper investigates the work experiences, perceptions of security and risk of platform economy drivers in Bengaluru, India from a sociological perspective. The article presents these experiences and perceptions through rich ethnographic detail from in-depth, qualitative interviews with forty-five platform economy drivers driving on Uber or Ola cabs platforms. Drivers' narratives are used to bring out compelling shifts in informal economy employment experiences in Indian cities. These shifts are used to examine the diversity of lived experiences present in the Indian urban informal economy and to distinguish Indian platform economy drivers from their global counterparts. The conceptual tool of temporality is employed in reading through drivers' perceptions of risk, security and their management of these. The central finding of this article is that platform economy companies have given drivers a stable, mid-term period of time to accumulate wealth, which in turn has allowed them to stabilize and take short-term decisions by making large investments in their work, and to bear the risks of flexible working conditions in the short-term with more confidence.

Keywords: *platform economy, informal economy, temporality, Bengaluru*

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Introduction

This paper's core preoccupation is to investigate shifts in informal economy employment experiences in Indian cities through the example of platform economy companies like Uber and Ola cabs in Bengaluru, India. The 'uberization' of work is a thread that has been richly investigated in academic and popular reporting in developed economies as a result of neoliberal restructuring¹, specifically innovations like the sharing economy² of which platform economy companies³ are a sub-set. Platform economy companies have created flexible and impermanent conditions of work for workers who have moved away from a standard employment relationship of full-time, protected and continuous employment⁴. Popular debates have represented this change as freeing workers from workplace hierarchies thereby allowing them to structure their own time and spend it creatively away from full-time work. It has also empowered workers to be self-employed. The digital marketplaces created by Uber and Ola cabs allow for the transaction of goods and services between consumers and service-providers without any formal employment relationship between the platform and the service provider or driver. On the other side of the debate are those who term these types of workers as precariats⁵ and who claim that these companies are 'precariatizing' work. Popular reporting has settled on investigating the precarity of workers in these companies—

¹ Allison. *Precarious Japan*. Duke University, Durham. 2014. and G. Standing. *Global Feminization through Flexible Labor A Theme Revisited*. World Development. 1999. 27. 583-602. and D. Tweedie. *Making Sense of Insecurity: A Defence of Richard Sennett's Sociology of Work*. Work, Employment and Society. 2013. 27. 94-104

² Companies like Uber were initially subsumed under the concept of the sharing economy. As these companies evolved their business models, their innovative value has settled on the digital platforms or marketplaces they have created. They are now referred across media and academic reporting as platform economy companies.

³ 'Platform economy' is a term that has been used in a number of ways. For this article, platform economy refers to business models that create digital marketplaces that make use of efficient matching of supply and demand. Here, transactions are done over the platform or digital marketplace between individuals or organizations that would have found it difficult to find each other. Uber and Ola cabs is an example of this. Source: http://www.thecge.net/wp-content/uploads/2016/01/PDF-WEB-Platform-Survey_01_12.pdf

⁴ A. Kalleberg, *Good Jobs, Bad Jobs*, S. Edgell, H. Gottfried, E. Granter (eds.) *The SAGE Handbook of the Sociology of Work and Employment*, SAGE, London, 2015, 111-128

⁵ Guy standing

how the job has been unbundled⁶, and how⁷ and whether⁸ social security can be delinked from the work profile of a citizen.

The discourses around platform economy companies in developed economies are closely linked to changes in labor practices and work experiences because these companies have created quantifiably more flexible work options. In India however, the presence and market share of these companies is increasing but investigation into the labor experience is scant because of the existence of the 'informal economy'. The Indian urban workforce stitches together work and income through self-employment and sub-contracted work because of pervasive informality in employment.⁹ This is in consonance with platform economy work which is structured as self-employment or contracted work. Since platform economy companies have been able to create efficiency in an unorganized transport market, the value of this has outweighed any real investigation into the impact of platform economy labor practices or work experiences of the Indian worker.

In this paper, it is argued that platform economy drivers do not easily share the same experiences of precarity, risk and security with a wide range of other informal sector workers in urban India. Unpaid, subsistence work and daily wage work reflects the work experiences of more workers in urban India. Platform economy companies have given drivers the ability to accumulate wealth over a period of time. Drivers have the opportunity to earn a high income, commensurate to their hard work – an opportunity that is novel in their work lives. While platform economy companies are global and follow similar labor practices across their global markets, individuals on the platform in India cannot be easily compared to their global counterparts because of the flexible work options workers in India have always had.

We employ the conceptual terrain of temporality to read through drivers' narratives of work. This is because time underscores the imagination of work and employment assurances and expectations that span short, mid

⁶ JP Morgan Chase Institute, *Paychecks, Paydays, and the Online Platform Economy: Big Data on Income Volatility*, 2016

⁷ The Economist, *Universal basic incomes*, 5 June 2016 <http://www.economist.com/blogs/economist-explains/2016/06/economist-explains-4>

⁸ S. Hill, *The Future of Work in the Uber Economy: Creating a Safety Net in a Multi-Employer World*, The Boston Review, 22 July 2015 <https://bostonreview.net/us/steven-hill-uber-economy-individual-security-accounts>

⁹ S. Srinivas. *Place, Work, Workplace. IIHS Teaching Cases*. Indian Institute of Human Settlements. Bangalore. 2016. 1

and long term decisions. We find from our study that platform economy companies have given drivers a stable, mid-term period of time to accumulate wealth, which in turn has allowed them to stabilize and take short-term decisions by making large investments in their work, and to bear the risks of flexible working conditions in the short-term with more confidence. Temporality allows Indian platform economy drivers to be compared with other informal sector workers in India and contrast them with platform economy drivers in developed economies.

India's persistent informality in trade, services and employment is easily related to vulnerability, poverty, insecurity and precarity. The variety of work experiences, opportunities to accumulate wealth and creation of personal security are bucketed under a term too broad to accurately represent this diversity. Through the case of platform economy drivers we tease out the distinct set of opportunities and barriers available to these drivers from other informal sector workers in Indian cities. The value of this case rests in this teasing of these characteristics to contribute to a better understanding of labor and of the informal sector, which resists easy classification.

This paper first lays out Bengaluru's existing transport market and the emergence of platform economy companies. The majority of the drivers interviewed in the study are career drivers making this context vital to understanding their previous working conditions. We justify the use of time as a conceptual tool to work through drivers' narratives of work. The paper then moves on to presenting rich ethnographic data to profile the sample of drivers for their past and previous work, their perceptions of work security and finally to show how they plan welfare across multiple but simultaneous time periods – day to day, weekly, mid and long-term. Driving as a livelihood is often seen as accessible line of work as it has low barriers to entry. We conclude this paper by investigating the nature of barriers and their lack of transferable skills that restrict workers options to driving.

Transport-based Platform Economy Companies in Bengaluru

The demand for transport solutions, whether public or private, long or short distance travel, is high. Rising income levels, a young population, and penetration of smartphones and the internet have made India a prime, growing market for transport-based platform economy

companies¹⁰. It is reported that Uber's second largest market after the United States is India. The company claims that 12% of all trips taken globally are in India¹¹. Uber's Indian rival Ola¹² cabs, which is present in 102 cities in India, reported that over 25 million customers used their service as of October 2015 recording up to 1 million requests a day¹³. Data on the number of drivers or customers on either platform are guarded by both companies who are a part of "India's taxi wars". Uber reports as having 400,000 drivers in India¹⁴ and Ola 550,000¹⁵ drivers across the country. Reports estimate that Bengaluru has a total of 40,000-45,000¹⁶ drivers between both the Uber and Ola cabs platforms. Both companies are aggressively investing in Indian cities to capture users, habituate them to low fares, and onboard drivers through incentive schemes. Moreover, agencies of the Indian government, financial institutions, consultancies and platform economy companies in different permutations¹⁷ are forming links to increase skilling and employability of individuals to work with these companies.

¹⁰ Ernst and Young LLP, *The rise of the sharing economy: The Indian landscape*, 2015, <http://www.ey.com/in/en/industries/technology/ey-the-rise-of-the-sharing-economy>

¹¹ D. Busvine, *Uber says Didi deal frees resources for key Indian market – Letter*, Reuters, New Delhi, 8 September 2016, <http://in.reuters.com/article/uber-india-market-investment-idINKCN11D236>

¹² NDTV, *Ola Claims 25 Million Customers, 150 Million Cumulative Bookings*, 19 October 2015 <http://gadgets.ndtv.com/apps/news/ola-claims-25-million-customers-150-million-cumulative-bookings-754492>

¹³ The Economic Times, *Ola eyes 3 million daily bookings by April next year*, 19 October 2015 <http://economictimes.indiatimes.com/small-biz/startups/ola-eyes-3-million-daily-bookings-by-april-next-year/articleshow/49453803.cms>

¹⁴ D. Busvine, *Uber says Didi deal frees resources for key Indian market – Letter*, Reuters, New Delhi, 8 September 2016, <http://in.reuters.com/article/uber-india-market-investment-idINKCN11D236>

¹⁵ S. Chakraborty, *Uber vs Ola: The battle for dominance in India's taxi market*, Livemint, Bengaluru, 8 July 2016 <http://www.livemint.com/Companies/okLbTyf5OtqKnO1roYBAeP/Uber-vs-Ola-the-battle-for-dominance-in-Indias-cab-market.html>

¹⁶ S. Johari, A. Sharma, *We're telling the drivers to file cases against Ola and Uber – M Manjunath of Bangalore's Adarsha Taxi Union*, Medianama, Bengaluru, 2 June 2016 <http://www.medianama.com/2016/06/223-Bengaluru-taxi-union-ola-uber/>

¹⁷ The Indian Express, *Uber India partners with NSDC, Maruti to skill 1 million by 2018*, New Delhi, 15 September 2016 <http://indianexpress.com/article/business/companies/uber-india-ubershaan-maruti-skill-development-project-3032210/> ; Uber Newsroom, *Labour Ministry Signs Partnership With Uber to Create Micro-entrepreneurial Opportunities*, Uber, 5 February 2016 <https://newsroom.uber.com/india/labour-ministry/>

The Indian taxi market is estimated at USD 9 billion according to calculations by consulting agencies¹⁸, of which the organized sector has a revenue share of approximately 6%. While accurate numbers are difficult to provide because of insufficient data, this estimate is indicative of the magnitude of taxi services that are part of the informal sector. Given the vastly unorganized nature of urban services, there is plenty of scope for companies like Uber and Ola cabs to absorb thousands of workers. The same agency estimated a growth rate of 25-30% CAGR for the organized sector including platform economy companies.

There are multiple motivations to conduct this research in Bengaluru located in the state of Karnataka in India. Bengaluru has a sizable share of users and service providers of the platform economy taxi services in India. The city of Bengaluru also acts as a regional economy with its own economic and labor specificities with generalizable features of urban growth. The city is also the technology innovation capital of India and a hotbed for both innovations in transport (like various transport-based platform economy companies)¹⁹ platforms and for the regulation of these platforms. While Ola is headquartered in Bengaluru, the city is a prime market for Uber.

Indian cities show great diversity for their city-based taxi presence. Cities like New Delhi and Mumbai have public hail taxis for intra-city travel regulated through city taxi schemes²⁰ and through strong worker organization.

Mumbai's *kaali peeli*²¹ taxi service which was started in 1911 is one of the oldest in the country. These taxis are an integral part of Mumbai's cultural history. Currently, there are close to 45000 registered taxi drivers in the city²² and the major taxi unions are the Mumbai's Taximen Union and the Mumbai Taxi Association along with several other smaller unions. These unions have worked extensively towards negotiating higher taxi fares, better working conditions, and the release of new taxi permits by the city's

¹⁸ Red Seer Consulting, *Taxi market in India: Driving into the future*, 2014 <http://redseerconsulting.com/market-insights/taxi-market-india-driving-future>

¹⁹ Other platform economy companies in India are Taxi For Sure (which was bought by Ola cabs), Rapido is another example

²⁰ New Delhi and Mumbai have separate city taxi schemes created by the state governments of New Delhi and Maharashtra respectively

²¹ *Kaali peeli* translates as black & yellow; public hail taxis are known as kaali peeli taxis.

²² KK. Tiwari, *Regulate All Taxi Services: Why we oppose mobile app-based private taxi aggregators*, Business Today, 19 July 2015 <http://www.businesstoday.in/magazine/current/corporate/mobile-app-based-private-taxi-aggregators-why-they-are-being-opposed/story/221097.html>

Transport Department. With one of the most influential transport unions in the city, the *kaali peeli* taxis dominate routes between Bandra and Churchgate on the Western line and Sion and Chatrapati Shivaji Terminus on the Central line²³.

The official *kaali peeli* Delhi taxi service is run by the Delhi government's Tourism Department. There are close to 15000 *kaali peelis* here and the main union group is the Delhi Pradesh Taxi Union²⁴. This union played an active role in the conversion to compressed natural gas from petrol or diesel along with also fighting for the other demands mentioned above. Many of these unions are attached to larger trade and labour unions at the state and national level and show solidarity towards various worker movements in the country.

The biggest cost incurred by the traditional taxi drivers is the procurement of the taxi permit from city governments. More recently, unions in both Delhi and Bombay and in a few other cities have strongly opposed the entry of app-based taxi services, viewing them as a threat to their market share. Taxi unions in Bombay have led many strikes opposing the business models of on-demand services which do not have to incur the costs of acquiring a permit or following regulations like fixed fares²⁵. The history of taxi unionisation is shaping how the platform economy develops in these cities. For example, the *kaali peeli* taxis in Mumbai are attempting to compete with platform economy companies like Uber and Ola by launching their own app '9211'²⁶. Unlike these cities with histories of taxi unionisation, Bengaluru has always had a large fleet of private taxis without influential and cohesive transport associations. Platform economy services faced no resistance when they entered into Bengaluru when compared to New Delhi and Mumbai with unions.

²³ P. Singh, R. Singhal, *Priyadarshni Taxi Service: Steering the Wheel*, in Journal of Case Research, 2014, vol. 5, n. 2, 91-107 <http://home.ximb.ac.in/~jcr/cases/Case03-Priyadarshni-dec2014.pdf>

²⁴ M. Agarwal, *Delhi City Taxi And Auto Unions On Strike; Demands Ola-Uber Ban*, Inc42, 26 July 2016 <https://inc42.com/flash-feed/ola-uber-ban/>

²⁵ KK. Tiwari, *Regulate All Taxi Services: Why we oppose mobile app-based private taxi aggregators*, Business Today, 19 July 2015 <http://www.businesstoday.in/magazine/current/corporate/mobile-app-based-private-taxi-aggregators-why-they-are-being-opposed/story/221097.html>

²⁶ N. Konde, *Mumbai's Kaali-Peeli Cabs Lock Horns With Uber/Ola; Launches A New App 9211*, Techstory, 9 January 2016 <http://techstory.in/mumbais-kaali-peeli-cabs-9012016/>

Bengaluru city does not have public hail taxis. Instead, the market consists of private taxi firms that are small in size²⁷. ‘Transport vehicles’²⁸, whether for goods or people, are thus regulated for movement across the state rather than within the city. These vehicles are governed by a national act, The Motor Vehicles Act of 1988. It is important to note here that the vehicles and their use are governed by this Act but the drivers of these vehicles and their terms of work are not. Only drivers employed in public sector enterprises such as state transport services, train drivers, etc. have legally-regulated employment which come under the purview of the Act. Taxi transport in Bengaluru then is regulated by the fare charged for short distance travel, or through hourly packages (in 8 and 12 hour segments) for intra-city travel or out of state travel. Drivers who work in these firms are most often engaged in transporting people through the state, traveling for days on end and often sleeping overnight in their cars. The employment models of the private “tourist operators”²⁹ as they are called, does resemble the platform economy model to some extent. Many drivers do come with their own cars, and ‘attach’ themselves to operators in order to get business. Some are employed solely as drivers to drive the cars owned by the tourist operators.

Drivers’ Work Profiles

This section touches upon the work histories of the drivers in the study to indicate the experiences they compare their platform economy work with. It is important to note that 92% of these drivers were driving to earn an income before joining a platform economy company. Only 8% shifted to these companies from different professions.

Broadly, four career paths of drivers can be discerned. The four career paths are: one, drivers who have had a long history of driving different kinds of vehicles for livelihoods; two, drivers who moved to Bengaluru to drive in private taxi companies; three, drivers who have switched from low-skill informal work to driving over the course of their work history and four, drivers who switched from formal and professional work to platform economy work. Drivers’ have been engaged in very short-term work in their work histories—work that spanned one week for example—

²⁷ Red Seer Consulting, *Taxi market in India: Driving into the future*, 2014 <http://redseerconsulting.com/market-insights/taxi-market-india-driving-future>

²⁸ As they are called in Motor Vehicles Act, 1988

²⁹ As they are referred to colloquially

which they have glossed over in their narratives. While there are gaps in the information given by drivers, these paths are useful for understanding their histories of work.

One driver explained,

I have 22 years' experience in driving heavy vehicles, commercial vehicles, Meru cabs³⁰ and light goods vehicles. I have had all kinds of licenses.

A number of drivers indicated that they had started their driving work with heavy trucks moving goods across the state or the country. Others indicated that they started by driving small goods vehicle such as lorries within the city or between the city and their village to transport goods.

The second path is explained through another drivers' experience,

I came to Bengaluru 16 years ago. I started working at a tour and travels company as soon as I came and worked with that company for 13-14 years. When the time came to buy my own car, Uber and Ola had started. I decided that if I was going to buy my own car, then I should try to work with one of these new companies.

The majority of drivers in our study follow the above two paths. These drivers indicated driving as one of their only options for work and income while living in Bengaluru. This is described along with the drivers' educational backgrounds in detail in a later section. The third path that came out strongly was drivers switching to driving from a handful of low-skill informal work. One driver explained,

When I came from my native village to Bengaluru I started by working in a photo studio where I was a helper. I would help photographers set up lights, and also arrange things. Like a helper. I was there for two years and then I worked in a hotel as a helper for another two years. During the time at this hotel, I learnt how to drive. I drove a canter³¹ for four years. Then I paid the down payment for my own car and joined Ola for 3 months. I didn't like it so I left it and have been with Uber for one month.

Another driver explained,

For five years I worked with a family. I did their household chores, and housework. I cleaned, and I used to run their errands, do the shopping from the market. After that

³⁰ Meru cabs is India's first radio taxi service which was founded in 2007.

³¹ A light-duty commercial vehicle, similar to a small truck

I joined a tour and travels company for five years. When I was with this company I heard of Uber and Ola cabs – when you're in the driving field you hear about these things. Now, I've been with Uber for 7 months.

Very few drivers in the study switched from professional or formal work into platform economy work. There were only three drivers in the study that indicated this kind of work history. Below are two short descriptions from their interviews.

I completed school and then my engineering diploma – both from Bengaluru itself. I was born here. I first got a heavy vehicles license to drive with KNP travels – those big tourist Volvo buses. Then a friend got me a job at a real estate company. I liked the work there first. I was in the design wing and worked with the architects as a draftsman. I worked there for five years and only got an increase of 5% in my salary over 5 years. Only 5% in 5 years! Then both my friend and I left that company and joined Uber.

This was the only driver in the study who had any experience with a 'standard employment relationship' commensurate to the employment expectations of developed economy workers. He spoke about being evaluated for skill and career progress at work, and about receiving a timely salary from the company, a written contract, and expectation of an increase in salary over the years.

Another driver was engaged in professional work yet did not have a written contract. He said,

I worked with the ISKCON temple³² doing their marketing and communications for about ten years. As a devotee of the ISCKON temple that was a very good job to have. Now my children are a little older, they need to go to better schools, so I needed more money. That's why I started driving for Ola cabs. It's good, I can stop whenever I want if I need to pray. I can do all of that in a car.

The 'Standard Employment Relationship'

The resounding message from debates on the sharing economy in developed economies has been that these companies have ushered in 'the end of employment'³³ as they dilute the idea of labor relations between a

³² ISKCON is an abbreviation for International Society for Krishna Consciousness, it is a religious movement in India that has centers of devotion across the globe.

³³ A. Sundararajan, *The Sharing Economy: The End of Employment and the Rise of Crowd-Based Capitalism*, MIT Press, Cambridge, 2016

firm and an individual. These debates span administrative and political issues of worker classification as dependent³⁴ or independent³⁵ contractors, effects of casualization of the workforce, and deeper questions of receding social security, precariatization of work³⁶ and new ideas on disentangling social security from the work profile of an individual. These transformative effects are linked closely to the use of technology to atomize work into discrete tasks³⁷ allowing the quickening of labor commodification. Employment insecurity is viewed as the transition from the standard contract of employment to flexible contracts and non-standard labor processes like subcontracting. The debate has since moved towards finding solutions for workers in these employment relations – such as the idea of portable benefits³⁸. Other studies have touched on how twenty-first century neoliberalism has ushered in work informalization and casualization across the developed world forcing workers to resort to informal economic activity to support themselves³⁹. It is our intention in this section to briefly indicate the points of debate that are taking place in developed economies. This is by far no exhaustive review of the literature on this subject, which is aplenty. The proliferation of academic and media reporting in developed economies has gone a long way in archiving the restructuring of the formal economy.

The Informal Economy in India

Work, like that of platform economy companies, has been the norm in the Indian informal economy. The structure of this employment relationship

³⁴ L. Weber, *What if There Were a New Type of Worker? Dependent Contractor*, The Wall Street Journal, 28 January 2015 <http://www.wsj.com/articles/what-if-there-were-a-new-type-of-worker-dependent-contractor-1422405831>

³⁵ R.E. Silverman, *Judges Skeptical of Uber-Lyft Claims in Labor Cases*, The Wall Street Journal, 2 February 2015 <http://www.wsj.com/articles/court-rulings-may-redefine-ride-sharing-drivers-1422922890>

³⁶ G. Standing, *The Precariat: The New Dangerous Class*, Bloomsbury Academic, 2011

³⁷ P. Mason, *Post Capitalism: A Guide to our Future*, Allen Lane, London, 2015

³⁸ N. Scheiber, *Care.com creates a \$500 Limited Benefit for Gig Economy Workers*, The New York Times, 14 September 2016 http://www.nytimes.com/2016/09/14/business/carecom-creates-a-500-limited-benefit-for-gig-economy-workers.html?_r=0

³⁹ V. Smith. *Employment Uncertainty and Risk*. The Sage Handbook of the Sociology of Work and Employment. S. Egdell, H. Gottfried. E. Granter (eds). Croydon, 367

is expected to continue because of an ailing agricultural sector⁴⁰ and increased automation in the manufacturing and Information Technology (IT) sectors. Micro-entrepreneurship in the informal sector is widespread, and most workers in urban India already have multiple jobs without formal standing in labor laws and multiple employers through heavily subcontracted work⁴¹.

Reporting on platform economy companies in India is generally positive, with news stories lauding the platforms for creating new jobs despite stringent government regulation which are starting to curb the sector⁴². These companies have rarely been associated with precarity since the adoption of tech-based work by blue collar workers fits well into India's growth and IT story.

There is scant Indian or the global South academic literature that formed the background for this study. Employment studies in India which focus on formality and informality or issues of subcontracting based largely in the manufacturing sector are insufficient to comprehend the changing employment relations and perceptions of work in the platform economy companies.

The lives of a majority of urban residents in Bengaluru are marked by informality in their work, housing, access to basic services etc. Close to 90% of the workforce in urban India is part of the informal sector which is characterized by self-employment, fringe social welfare and little work security. The lived experience of work is shaped less by the standard employment relationship and employment benefits, but more by the vulnerabilities imposed by living in Indian cities.

In India, informal sector has been defined by the National Commission for Enterprises in the Unorganized Sector (NCEUS) as 'all unincorporated private enterprises owned by individuals or households

⁴⁰ CP Chandrasekhar, *India's informal economy*, The Hindu, 3 September 2014 <http://www.thehindu.com/opinion/columns/Chandrasekhar/indias-informal-economy/article6375902.ece>

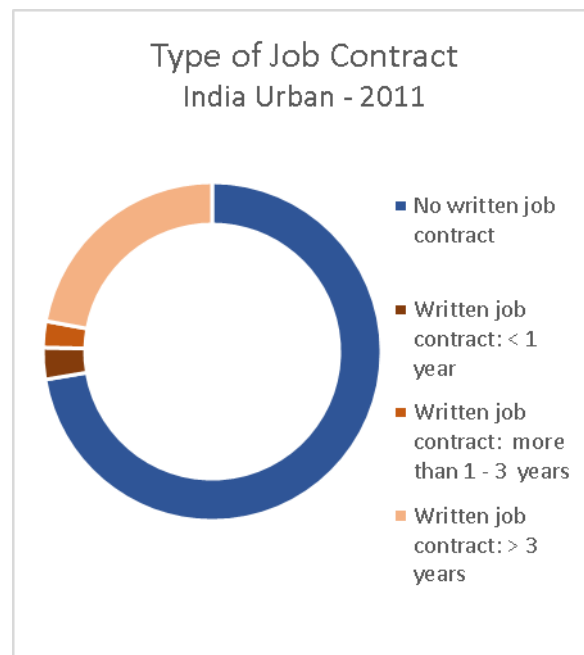
⁴¹ S. Srinivas. *Place, Work, Workplace*. IIHS Teaching Cases. Indian Institute of Human Settlements. Bangalore. 2016.

⁴² M. Sharma, *Follow Rules Or Stay Off Roads, Bengaluru Government Tells Uber, Ola*, NDTV, 30 May 2016 <http://www.ndtv.com/bangalore-news/follow-rules-or-stay-off-roads-bengaluru-government-tells-uber-ola-1413541>; S. Jog, A. Peermohamed, *Uber, Ola face the heat in Maharashtra, too*, Business Standard, 8 April 2016 http://www.business-standard.com/article/companies/uber-ola-face-the-heat-in-maharashtra-too-116040700306_1.html; Firstpost, *Delhi govt drafts policy to regulate Uber, Ola et al; surge pricing won't be allowed*, 11 August 2016 <http://www.firstpost.com/business/delhi-govt-drafts-policy-to-regulate-uber-ola-surge-pricing-wont-be-allowed-2948512.html>

engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten workers”⁴³. With informal workers being spread both in the organized and unorganized sector, the NCEUS also defined informal workers as follows: “Informal workers consist of those working in the informal sector or households, excluding regular workers with social security benefits provided by the employers and the work”⁴⁴.

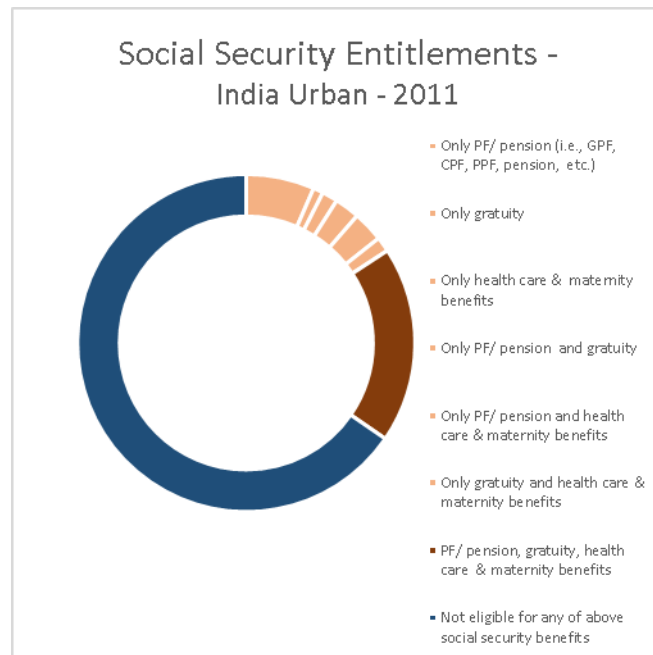
As illustrated in Figure 1, the Employment and Unemployment Survey 2011 conducted by the National Sample Survey Organization enumerated workers for their employment status over certain reference periods and for the nature of employment.

Figure 1. Type of Job Contract in Urban India and Social Security Entitlements in Urban India



⁴³ The National Commission for Enterprises in the Unorganized Sector (NCEUS), *The Challenge of Employment in India*, Ministry of Micro, Small and Medium Enterprises, Government of India, 2009

⁴⁴ The National Commission for Enterprises in the Unorganized Sector (NCEUS), *Reports on Social Security*, Ministry of Micro, Small and Medium Enterprises, Government of India, 2006



Source: Employment and Unemployment Survey, NSSO, 2011

The survey also captures that 70% of urban Indian workers have no written job contract. There are a significant number of workers who move in and out of informal sector employment – represented by workers who have access to a written contract for less than a year or between 1-3 years. Here, the mere existence of a written contract is being used to signify formal sector employment. The survey also captures data on workers' access to entitlements. While there are state-assisted or promoted social security schemes for workers in the informal sectors, the schemes have not covered more than 6% of workers⁴⁵. These schemes are created on insurance and state assistance models that cover issues of life and disability insurance, pension and provident funds. There have been numerous issues in identifying and enumerating workers for the implementation of these schemes. The survey data reflects this – 65% of urban workers have no access to social security entitlement. Highly-skilled professional white-collar workers and government officials form the small

⁴⁵ The National Commission for Enterprises in the Unorganized Sector (NCEUS), *Reports on Social Security*, Ministry of Micro, Small and Medium Enterprises, Government of India, 2006

section of urban Indian workers that have access to whole host of entitlements.

The 65% that do not have access to social security entitlements nor higher incomes face lives marked by vulnerability and risk – this comes out clearly looking at the example of street vendors. Street vendors in urban India are statistically invisible, they occupy street space ‘illegally’ or without tenure, their operations are marked by constant rent-seeking from municipal authorities to ward off evictions, pay for basic services like water, toilets, waste removal⁴⁶. There are a number of disadvantageous ways in which informal economic actors are incorporated into the economic and social life of cities that bears on their ability to have decent work and income⁴⁷.

Development for the Indian economy has been conceived of as a transition from custom to contract though structurally the economy continues to be informal and unorganized. The urban experiences of work are then shaped by an absence of welfare as India’s welfare state has been tailored to the conditions of rural poverty⁴⁸. It is assumed that an urban workers’ mere proximity to private means of health, employment and food resources is supposed to suffice⁴⁹. The costs of ensuring income and work securities are borne by urban workers personally, crafted through strategies that maintain income and balance the high costs of urban healthcare, education and nutritional security.

Looking specifically at Bengaluru city, data from various rounds of the National Sample Survey indicates clear trends in Figure 2⁵⁰.

⁴⁶ S. Roever. *Informal Economy Monitoring Study Sector Report: Street Vendors*. WEIGO. Web. 2014

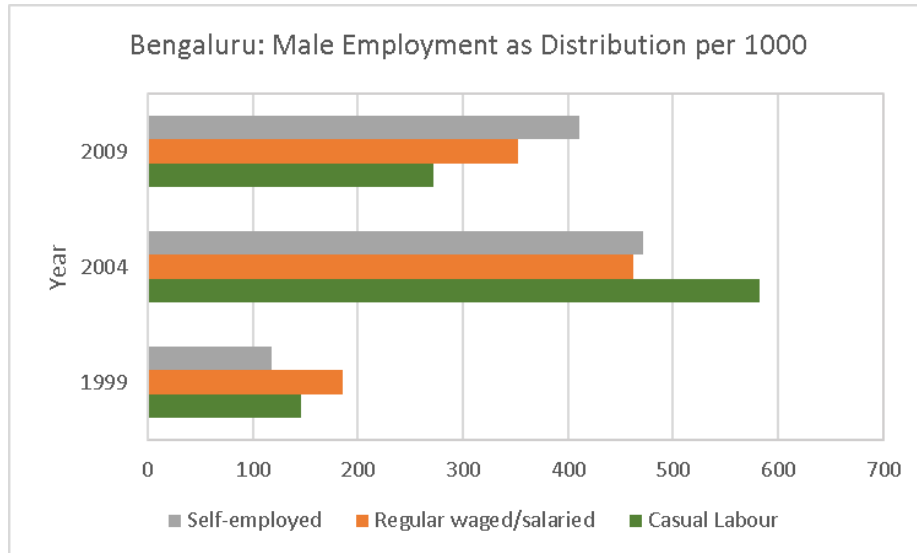
⁴⁷ G.Bhan, A.Surie, S.Srivatsav. *Urbanization in Karnataka. Karnataka Human Development Report*. Government of Karnataka. Bangalore. 2016. Forthcoming

⁴⁸ UNDP, *India: Urban Poverty Report 2009*, Ministry of Housing and Urban Poverty Alleviation, Government of India, 2009

⁴⁹ G.Bhan, A.Surie, S.Srivatsav. *Urbanization in Karnataka. Karnataka Human Development Report*. Government of Karnataka. Bangalore. 2016. Forthcoming

⁵⁰ G. Bhan, A. Surie, S. Srivatsav. *Urbanization in Karnataka. Karnataka Human Development Report*. Government of Karnataka. Bangalore. 2016. Forthcoming

Figure 2. Bengaluru: Male Employment as Distribution per 1000



Source: Employment and Unemployment Surveys, 55th, 61st and 66th rounds, NSSO

There is a persistence of casual work, a reduction in the number of male workers in regular/salaried work and an increase in self-employment. Self-employment, here, largely consists of what is called “own-account” work⁵¹ that occurs mostly in the informal economy. It is this category of worker that has similar structural elements to the work performed by a worker in the platform economy. Yet this category encompasses a wide range of work experiences – like that of being a street vendor which is undoubtedly vulnerable and marked by risk. Precarity can take the form of brutal discrimination against low caste people being denied access to education, health facilities, and livelihoods. Precarity in India has to be understood on its own terms, apart from the global discourse that has been created through works like Standing’s ‘The Precariat’.

“Temporality” and Time

⁵¹ The National Commission for Enterprises in the Unorganized Sector (NCEUS), The Challenge of Employment in India, Ministry of Micro, Small and Medium Enterprises, Government of India, 2009

Initial interviews with platform economy drivers did not yield significant distinctions in drivers' experiences of platform economy work and their previous work. The newness of the platform economy companies was difficult to grasp in drivers' narratives. To reiterate, micro-entrepreneurship in the informal sector is widespread and most workers in urban India already have multiple jobs without formal standing in labor laws, and multiple employers through heavily subcontracted work.

To critically question whether platform economy companies were indeed bringing anything new or disruptive to driver's lives, experiences of work, precariousness and security became the focus of the study. Strategies to gain control over turbulent work and create security of income formed a second focal point. This study uses sociological methods of investigation, analysis and frames of reference, which spotlights the subjective experiences of risk, how drivers define and rationalize risk, and adjust their cognitive frameworks to it.

The qualitative research was conducted through in-depth, semi-structured interviews with 45 drivers working on the Uber and Ola platforms in Bengaluru. Drivers were accessed using platform economy company apps. Central to security of work and work welfare is time. Income security, labor market security, employment security, job security and other terms that relate to economic security are underscored by an idea of time. For example, the assurance of timely payment, the assurance of income over time, the expectation of current and future income, retirement, protections against untimely dismissal, assurance of work in the future, the idea of progress in income and employability over time are *vital* in how we understand security in the context of work. Time underscores the imagination of assurances and expectations that span short, mid and long term work and life decisions.

It is this idea of time and the conceptual terrain of temporality that is employed in reading through the narratives of the drivers' work experiences. Drivers' imaginations of the future, their idea of progress, decisions to save, invest, and leave or join a competing platform were all underscored by different ideas of time. Platform economy companies have allowed drivers to stabilize mid-term decision-making including making large investments in their work and to bear risks in the short-term with more confidence. This is because these companies have given drivers a large enough time frame to create income stability and reinvest their wealth in their work.

The use of temporality to understand the lives of workers is not new. EP Thompson postulated in 1967 that the development of a 'time-sense'⁵² among workers in industrial Britain was critical to the success of industrial capitalism. Researchers argue that the atomization of work in the post-industrial world has created and transformed this time-sense by shortening the horizons of economic decision-making among workers⁵³. The frame of a changing time sense is a useful analytical tool to describe the shift in understanding security from that in secure formal jobs to new forms of work in the platform economy.

Wealth as Personal Welfare

Wealth, for the drivers in the sample, is what creates personal welfare. The idea of a lifetime of security guaranteed by state social protections, regulations that shape firms' labor practices, expectation of a future income in old age or disability retirement⁵⁴ is difficult for drivers to perceive. Their perceptions are shaped not only by their current work with platforms but also the work they have been engaged in previously. The clear sentiment across all the drivers we spoke to was that security was borne by them personally through strategies crafted by their own wit and social networks. The responses noted below were captured on asking whether the drivers had a wish list of assurances they could ask from platform companies.

What we need is lifetime support. But no company will ever give us that.

Another driver said

More than [the company] doing something for us or for our families, we can care for our families ourselves if we earn.

⁵² EP. Thompson, *Time, work-discipline and industrial capitalism*, in *Past and Present*, vol. 38, n. 1, 56-97, 1967

⁵³ C. Hardin, *Neoliberal Temporality: Time-Sense and the Shift from Pensions to 401(k)s*, in *American Quarterly*, vol. 66, n. 1, 2014

⁵⁴ *What we mean when we say "economic security"*. International Labor Organization Socio-Economic Security Programme. www.ilo.org/public/english/protection/ses/download/docs/definition.pdf

While many pointed out that they would enjoy company-sponsored accident insurance, car insurance and health insurance for their families, they were equally quick to add responses such as the following:

We don't really have an option to ask for more from companies like Uber or anyone else... there is no such thing as benefit for family from a company; if I earn that's a benefit to my family

There is a certain impossibility that drivers in our sample found with the idea of expecting assurances of long-term security, and of linear progress in career and life which is guaranteed by employer and state. Earning to provide personal forms of welfare comes out as central in drivers' ideas of selfhood. The weight and responsibility of crafting paths out of vulnerable living is common to their concept of work. A handful of drivers in our sample expressed that they were living in Bengaluru only to earn; earn to repay their car loans and to accumulate enough wealth to eventually allow them to return to their hometowns or native villages. Other drivers who were born in the city spoke about their futures as if they were a distant horizon of stitched work opportunities – whether at platform economy companies, driving other kinds of vehicles or driving for different purposes. Thus, the temporality of work arrangements have bearings on a worker's sense of future.⁵⁵

Drivers manage their long *durée* through strategies that straddle the short, mid- and long-term welfare. This is similar to other informal sector workers who often have to make snap short-term decisions when work is a survival activity⁵⁶.

Yet, the model of work and earning that Uber and Ola cabs follow currently is that drivers' earnings are based on the trips they complete, often accompanied by packages of incentives based on the number of trips or the amount of business they created in a day. The break from payments based on hours of work and their efficiency in connecting demand to supply is significant for drivers in our sample. In their previous work, drivers were often 'on duty' for many hours although they only earned for the trips that were allotted to them by a private taxi firm owner.

⁵⁵ J. Powell, J. Hendricks, *The Welfare State in Post-Industrial Society: A Global Perspective*, Springer Science & Business Media, 2009

⁵⁶ J. Unni, *Wages And Incomes In Formal And Informal Sectors In India*, The Indian Journal of Labour Economics, vol. 48, n. 2, 2005

Drivers' expressed comfort and a sense of self-respect at their current work with platform economy companies.

Uber will at least pay us for our hard work.

I used to work for a private taxi company before,...if I can work as hard here [Uber] as I was expected to there [previous taxi stand] then I'll earn really well.

Being given their due, at least financially, has given the drivers a sense of autonomy and agency that was previously unavailable to them from their work. This is reinforced by other drivers too.

With Uber, if you work then you get money. There is a lot of freedom in this.

The Incentive

With earnings commensurate to their hard work, drivers have the opportunity to earn a high income, save and invest it to create more stable mid-term living conditions. The incentive is the main profit-making mechanism for drivers in Bengaluru. It is an offering of both Uber and Ola operationalized to capture market share and retain drivers on their platforms. It's a dynamic if not volatile calculation that changes every week. It is this incentive that directly structures the workday and work week of drivers. Descriptions of the incentive were by far the most articulate part of drivers' narratives of platform work even though they consistently presented differing information on what the incentive was. The narration of the incentive was scripted.

This is why the incentive is perhaps one of the only terms in the platform economy lexicon that drivers have adopted into their daily language. Uber and Ola cab's terminology for 'trips', 'rides', 'ratings', 'carpooling' and so on are switched around in drivers' usage as they please.

The quantum of the incentive was an ever-present thought and calculation in how the drivers' imagine their work in the future. Their decision to leave a platform is also directly related to the incentive. Drivers indicated that the incentive given by Uber and Ola cabs is slowly decreasing.

Madam, I joined [Uber] two years ago. At that time the incentives were very high. I wanted to drive seven days a week at that time. They keep going down though. First the incentive was based on trips, now the incentive is based on the amount of business you get. If it goes down

more then I'll have to find some other work. I can't make profit if the incentive goes down very much more.

Its significance in structuring their experience and strategies of work cannot be emphasized enough. The near-term decisions of working hours, breaks during a work day, holidays and days off were determined by this financial instrument.

Daily Work Decisions

While the incentive impacts the way drivers structure their hours of work and their work weeks, it also enables them to exercise freedom within these daily and weekly structures – a welcome break from their previous work.

Reporting on the effects of platform economy companies in developed economies often cites that these companies have introduced 'the ideas and benefits of economic liberty, freedom and free markets to the average individual'⁵⁷. For the drivers in our sample, the association of freedom with Uber or Ola was present in their narratives. The value of this freedom was most expressed at the release of everyday decisions into their own hands – especially their hours of work.

One driver emphatically explained,

Every time there was a family emergency I had to beg for a day's leave. Sir, please give me leave. Sir, please one day. If I was sick they wanted that I inform them in advance. How do you know you will fall ill in advance?

Drivers, like the one above, expressed more freedom and joy at being able to take one day's leave at will than at the concept of being self-employed. Another driver explained the value of the freedom to structure his everyday work.

[At Uber], I know I can go home and sleep one day if I'm sick, I'll feel better the next day and the next day there will be duty. I can rest easy because I know when I wake up I will have work.

⁵⁷ R. Nhan. *Lyft, Uber and the Sharing Economy creates new opportunities for entrepreneurs*. 2015. <http://blog.pacificlegal.org/lyft-uber-and-the-shared-economy-creates-new-opportunities-for-entrepreneurs/>

The structure of their work day is determined by the company's incentive packages.

At Uber... there is freedom. When you work for a tour and travels company, they can call you at any time and you have to go. Sometimes they used to call us at 2 am, that's torture. Driving for a call center you have to do 24-hour duty. I hate driving at night. They ask us to login at 5 am and do many, many pick-ups within 3 hours. Here, even if you work those hours you still get commission and more money. There I would only get peanuts.

Income: A Context

Drivers have been able to make stable, mid-term decisions about their investments, financial risks and commitments to work through their tenure in platform economy companies. Our qualitative data shows that the fulcrum for this is *the opportunity to earn high incomes* from these companies. The kinds of precarity that shape their lives are thus offset by the opportunity presented by platform economy business practices like the incentive to earn higher incomes. They have the option of earning higher incomes than many qualified, skilled formal sector workers. This section provides a context for drivers' current and previous earnings and average incomes for urban households in Bengaluru.

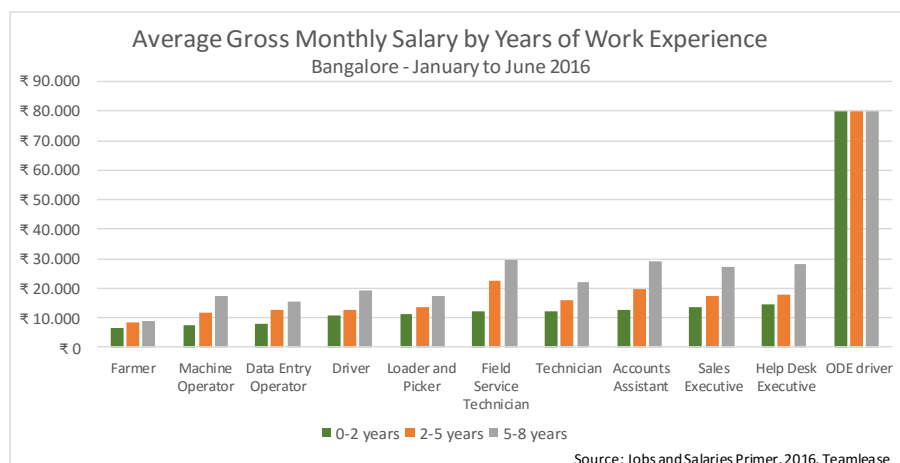
The argument is often made that income for flexible work is often higher than secure work because the costs of work security are transmuted into cash payments. Drivers in the sample have never had access to these work securities as entitlements or cash. Their pathways to secure living come from accumulating wealth over a stable duration of time. This is why the paucity of income is a vital part of a multi-dimensional measurement of poverty in India.

Drivers in our sample earned between INR 18,000 and 30,000 a month (USD 270450) in their previous work. Uber and Ola Cabs have given them the opportunity to earn up to Rs. 120,000 (approximately USD 1700) a month.

This is contrasted with the fact that nearly 90% of urban households in India earn less than Rs 200,000 a year (USD 3000). In Bengaluru, the measurement of poverty—the poverty line, which represents minimum levels of expenditure—starts at Rs. 27,000 a month (USD 400). Many have argued that the poverty line measures destitution, and that poverty exists above the poverty line in large measures.

Figure 3 represents the income of drivers in our sample have reported being mechanics, clerks, electricians, domestic workers, call center drivers, loaders and pickers.

Figure 3 Average salaries in Urban India



Source: Jobs and Salaries Primer, 2016. Teamlease

Public sector data is difficult to come by for informal sector work such as these occupations. Recruitment consultants like Teamlease whose data is used here provide an indication of the set of professions and their corresponding incomes available to the drivers in our sample. The income that platform economy work offers is much higher than that offered by many other urban jobs that these workers have access to. Drivers' net earnings after platform commission, fuel and maintenance, is still higher than gross salaries in other jobs.

Most drivers in our sample said they drove anywhere from 150 to 200 kilometers (90-125 miles) a day, 5 to 6 days a week to make Uber or Ola profitable for them. One driver, driving for 22 years said,

Hum toh purane keede hai is profession mein, aaram se 16 ghanta duty kar lete hain' (I'm an experienced player in this game, I can comfortably work for 16 hours at a stretch).

The drivers use the term 'duty', an English word, to refer to their work, and they scatter this generously in their speech no matter what their native language is. It is a word that implies going to work or working. It signifies their hours of work, and it is also used as a unit of work similar to the word 'trip' used by Uber or Ola cabs. It is a word that they use to describe

any driving they have ever done whether as a driver for a corporation ferrying employees to meetings, driving tourists long distance or driving within the city. There is a sense, then, that the nature of work *endures* across models of the old economy and the new. For them, the work is the same.

Payment Intervals

In India, at a larger scale, incomes are usually higher in urban areas. Yet, costs are also higher, proximity does not always imply meaningful access to services, and the presence of work does not equate to a living wage⁵⁸. This is why the urban location in India is seen both as a dividend and a penalty. Those living in urban areas pay a 'poverty premium'⁵⁹ for basic services including food and non-food expenses, spending more as a percentage of their income than their rural counterparts, on average. Urban areas are highly and rely on frequent cash transactions for everyday life. This implies that it is not just that income must be sufficient but that it must also be *regular and timely*. Informal sector workers and platform economy drivers have to strategize to manage regular and timely payments.

The money here is good because if you work from Monday to Sunday, Tuesday you'll get money in your account, no worries there. If you work hard you'll get good money. In tourist cabs you don't find enough work, they don't give duties correctly. Even if you get duties you don't get the money immediately. You will get paid for today's work three months later. Then the money is of no use because we have to pay monthly EMIs on our cars. And there is rent to be paid. Kid's school fees need to be paid. So it's a problem. Here the money comes correctly.

Another driver explained,

I worked with a big corporation here in Bengaluru. I drove 7 days a week for them. Their Finance Department would only release money for people like me every 3 months. And even then we had to fill invoices, we wasted 2 days of work just doing that, running around their offices. How can I survive with a salary only a few times a year?

⁵⁸ G.Bhan, A.Surie, S.Srivatsav. *Urbanization in Karnataka. Karnataka Human Development Report*. Government of Karnataka. Bangalore. 2016. Forthcoming

⁵⁹ C.Lee. *Challenging Assumptions: Wake up and smell the masala: Contested realities in urban India. Geography*. 2011. 96. 95-100. D. Mitlin, D. Satterthwaite, *Urban Poverty in the Global South*. IIED, 2013

Uber and Ola cabs offer drivers a range of similar work experiences, but differ on *intervals* of payments. In their preference of payments, drivers illustrate intricate strategies of managing different units of time and security of income.

Drivers working simultaneously on both platforms categorically stated that they preferred the way Uber paid them – weekly deposits into their bank accounts. Ola Cabs, they said, paid daily and mostly through cash making it difficult for them to hold on to the money and account for their expenses. The fact that the majority of Uber's transactions are through digital payments, allowed the drivers to easily save in the short-term.

A career driver explained,

If you work for a family, they sometimes give you meals, there is usually less work but the payment is sometimes late and comes at the end of the month. It gets difficult waiting for the payment to come. In Ola, every day we get cash and spend it. You don't know where the money goes. At least in Uber you can think about your day and your week and save.'

Another driver said,

We get both cash and online payment in Ola. I use the cash for petrol and other daily expenses. All the money that gets deposited into my account is my saving.

Organizing and timing weekly payments to both spend and save has let a number of drivers manage their mid-term investments with near-term consumption. The temporality of this payment system has shortened the 'time sense' of the drivers who used to earlier receive incomes every month or every three months.

Investing in Cars

The majority of drivers we spoke to had bought cars through bank loans for the purpose of driving on the Uber or Ola cabs platforms. 86% of drivers in the sample chose to finance these assets through a combination of car loans from banks and personal and family savings. Only 6% chose the Uber or Ola cabs leasing schemes and 9% of the drivers were not driving a car that they owned.

Stories of mini-entrepreneurship were difficult to come by in drivers' narratives. Attempts to capture other stories related to car purchases such

as choice of car, color, feelings of excitement, anxiety and so on, —were repeatedly met with very casual responses.

I guess I felt happy when I bought the car but it was not really special. I felt happy.

Even though most drivers on these platforms are *driving in debt*, they have sense of security in being able to repay this debt because of the high income they have access to. Most expect to pay off their loans within three years and express no anxiety in their monthly payment calculations. Both Ola cabs and Uber offer financial tools similar to Uber's XChange Leasing Scheme in America to help the drivers buy cars. The majority of platform economy drivers in our study chose not to take car loans through Uber and Ola cabs as a way to maintain their freedom in the short-, mid- and long-term. Drivers have to strategize to manage their terms of labor participation within the wider market, and in this case, work to maintain control over their autonomy.

Perceptions of mid-term strategizing comes out clearly as one driver said,

I didn't take any help from Uber in case I wasn't comfortable with this company. I should be able to attach my car to a different platform or company. I shouldn't be under any pressure to stay with them. It should be up to me, and my liking. How does it matter to me if I'm in Uber or elsewhere? I want to make a living.

Another said,

If you take a loan from Ola, they expect you to drive for them 14 hours a day for 4 years. Who can do that? Who wants to do that?!

Notwithstanding, the profitability of platform economy work is encouraging drivers to invest their earnings and multiply the effects of platform economy profitability. 14% of the drivers in the study have stated their intention to buy cars that they can 'attach' to the platform. One driver told us,

I have 8 cars, madam. All of them are Toyota Etios (which is a four-door sedan). Customers like these cars. I have drivers who drive these cars – 3 are on Uber and 3 are on Ola and 2 others are with a private taxi stand. I give the drivers a set salary every month.

Many drivers indicate no change in their consumption patterns in spite of earning a higher income. They simply said they had more fixed deposits in banks or chit funds, or had invested in land or other kinds of savings to