

Monopoly Capital – Technological Innovations – Intensification of Labour Exploitation

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The entire process of the development of exploitative capitalist system is closely connected with the intensification of labour exploitation. Unless it is changed with struggles, it becomes quite normal for the world of workers to live in critical crisis. Unemployment, with no availability of jobs, under employment with partial/ part time jobs, job loss and uncertainty about the availability of jobs will continue indefinitely. Meanwhile, loss of earnings will make the lives of labour households critical. Moreover, availability of low-level jobs, no job security, continuous uncertainty about livelihoods naturally increases psychological pressure making lives further miserable. Workers are systematically isolated by capital to deteriorate their power of collective bargaining. Consequently, the brutal conditions are strengthened making destruction of lives as the normal living standard. The International Labour Organisation is constantly warning all countries on these issues for the last one and half decade that the majority people are forced to work in miserable working conditions and this crisis must be ended. Contrarily, the monopoly capital, continuously formulates new strategies of exploitation to increase its profits enormously and adopts technological innovations. The State is always ready with neo-liberal policies to extend strong support to this process. As a result, old forms of labour exploitation will continue and new forms will emerge. On the whole, different forms of labour exploitation are exerted on the world of workers. These will not discriminate between workers of dominant and emerging economies, skilled and unskilled labour, physical and intellectual labour, women, and men. The form of exploitation is selected based on prevailing context. This is the 'Universal Principle of Exploitation'. Further, the monopoly capital has successfully divided and subdivided the working class making it difficult to unite and question the exploitation. The main aim of the monopoly capital is to trap the world of workers into the circles of miserable, critical crises to command them forever. As a result, all kinds of discriminations are accentuated and entire human relations are directed by the framework of 'Domination and Subordination'.

The functioning of capital is centred around profit motive under the guise of free interplay of market forces determined by laissez-faire. Therefore, the system is subjected to economic depressions frequently. During these crises fall in the profits

leads to either closure of the firms or functioning at low level due to decline in the sales and rise in unsold stocks leading to job cuts. The crisis of working class will become more critical. The depressed workers are subjected to increased exploitation. This process will be facilitated by technological innovations.

It is a historical fact that every economic depression/crisis is followed by the creation of new forms of intensified labour exploitation. This includes the crisis emerged in 2008. The gig economy that emerged under this backdrop came up with Digital Platforms where companies work based on mobile apps. The Covid-19 pandemic resulted in its widespread development. This is popularised as a wonderful commercial model created by high level technological innovations making gig worker free and flexible, without any working hour restrictions. Several serious studies revealed that the gig economy intensified commodification and informalisation of labour. Therefore, the labour exploitation reached at its peak.

On the other, the widespread use of Artificial Intelligence and Robots has increased. This will project as if the lifeless machine is great. It became the aim of technical progress to show the living human being with brain and intellectual creativity is useless and obsolete. As a result, the value of labour is steeply declining which accentuated the miserable living conditions of the working class.

The labour and the labourer, true source of value creation, have been cruelly humiliated by Elon Musk, the corporate giant, who said that it is the responsibility of governments to feed these useless and obsolete majority to make them survive. This statement clearly indicates that the critical crisis of majority of working class will not end within the framework of the Capitalist System. Therefore, it is relevant to remember the statement of Samir Amin, that the "struggle is not to end the Capitalist Crisis but the Capitalist system itself".

Workers in Gig Platforms – Highest Level of Labour Exploitation:

The establishment of Digital Platforms and Mobile App based companies emerged in the global economy in view of extreme rise in the digitalisation. The Gig Business model has emerged and expanded as a tool of intensifying labour exploitation in the neo-liberal framework in the process of revival from the capitalist economic crisis of 2008. The Gig economy strengthened at the global level due to Covid-19 pandemic and the protocols that came up to arrest the spread of the pandemic. Gig economy consists of 1. Crowd work in which the tasks are to be completed through online platforms. These platforms are companies. They consult so many institutes as well as individuals at the global level and connect workers and clients. This part of Gig system consists of digitally skilled workers. They are called as freelancers. 2. Work-on-demand via Apps. This consists of traditional jobs such as transport, cleaning, household services, repairs, care services for the old, children

and patients, food and goods delivery. The App companies will connect workers and customers/consumers. The workers are named as independent contractors. They have to work under continuous and rigid surveillance of Apps. The global level platforms and App companies that have been strengthened by 2020 are Uber in transport sector, Task Rabbit in household services and Amazon Mechanical Turk in crowd sourcing.

Global gig economy growth is fast and rapid. Its value increased from \$208 billion in 2018 to \$ 347 billion in 2021. Its annual growth rate is 17.4 percent. Therefore, the gig economy is trumpeted as the provider of livelihoods to majority.

The Boston Consulting Group report states that in India at-present 15 million are working in Gig Economy. ASSOCHAM predicts that its value will be \$455 billion by 2024 with annual growth rate of 17 percent. In the 145 companies surveyed by Aon, the gig workers are to the tune of 49 percent among the workforce and they are expected to increase to 65 percent in the coming 2-5 years. The spread of gig economy is extremely strong in US. The present 57 million gig workers will increase to 86 million by 2027 as per various studies. The gig economy spread is rapid in all the countries while US stands first and India occupies second place.

What are the Causes for the Growth of Gig Economy?

For whose Benefit?

The excessive profits of platform-companies and App based companies are the main cause for the fast spread of gig economy. The Unification and consolidation of gig companies is going on strongly. It is under the domination of corporate giants. For example, Uber is strong in the transportation sector of US, Britain and India. Some of the significant App companies in our country include Ola in the transport sector, Swiggy, Zomato, Uber Eats in food delivery, Urban Company in household services, beauty, massage services, salon, cleaning and repairs.

Precarious Conditions of Gig Workers:

The companies simply connect workers and clients/customers. Those who works in the platform companies are termed as freelancers, and who work in App based companies are called as independent contractors. Thus, they are neither employees nor workers. Therefore, the company will not give any written agreement. The payments are made only when the assigned task is completed. They do not have any employee or labour rights; No minimum wages; no paid leave or sick leave; no retirement benefits; no guarantee to availability of work & volume of work; no protection; no financial security; no relation among gig workers. Consequently, they cannot consolidate into labour unions. They must work under the surveillance of Apps. If the company takes decision to decrease the payments or to abolish the

incentives, the gig workers do not know as to whom they have to question. Mumbai drivers decided to go for agitation against the abolition of incentives by Ola and Uber. On whom they have to agitate? Gig economy negated all the labour laws and labour rights achieved through strong struggles. This is the precarious condition of gig workers without any rights and security. Contrarily, the global corporate gig companies state it as a wonderful model created by technological innovation to provide freedom and flexibility to gig workers. This is really a cruel contradiction.

The International Labour Organisation for the last several years warns loudly that decent livelihoods associated with employment standards, rights at working place, social security, strong collective bargaining with unions, should be provided to all. Contrarily, entirely opposite employment system is established and strengthened which is a serious contradiction. Therefore, the ILO seriously warns that gig economy itself is dangerous in view of its extreme in-formalisation and casualisation.

The gig company has neither full-time workers/employees nor burden of wages. No leaves, no social security measures. Moreover, the expenses on inputs needed for work such as vehicles, maintenance expenses, taxes, other instruments, masks and shields during Covid-19 etc., should be borne by the independent contractors. Thus, the gig economy successfully transferred the burden of capital expenses as well as risk from the capitalist on to the workers. Uber, which dictates global transportation sector, possess no car under its ownership and no appointed driver. It could destroy global taxi industry. The blue colour jobs of informal sector which provides livelihood to unlimited number of workers have now been provided by the digital apps. The Gig Economy under the domination of corporate giants is appropriating the informal sector. Thus, the workers are negated even from the vulnerable livelihoods available in the informal sector. Moreover, middle class in our country feels prestigious to get cleaning and salon services through apps. Therefore, the spread of urban company resulted in the loss of livelihood to lakhs of people who are dependent on salon and cleaning services. The salon, cleaning and repairs services are the main livelihood sources of dalits and backward classes in India. Therefore, the destruction of livelihoods in the informal sector by the gig economy has powerful caste dimensions. Along with inequalities, caste disparities will increase. The strengthening of gig economy is closely associated with the intensification of labour exploitation and destruction of livelihoods in the informal sector.

The gross earnings of Uber driver in London are 750 pounds for 60 hours. But, after the fuel cost, insurance, VAT etc., his net income will be only 150 pounds. In the rich country, US, no state decided minimum wage for 50% of gig workers, 19% cannot get enough food, 31 percent suffer to make payments for gas & power, 18% cannot go to

hospitals and as much as 30% are forced to take nutritious food provided by the government under several welfare programs. The 'freelancers' in the category of highest payments cannot bear a \$1000 sudden expenditure. This problem is confronted by 53% in traditional employment while, it is 80% among US gig workers. Another study reveals that tension, stress and mental pressure are relatively high among gig workers. Still, 74% gig workers are not willing to leave as they do not find any alternative job opportunity. This is the precarious status of gig workers in the rich country, USA.

The 'independent contractors' always work with fear under the rigid digital surveillance. Moreover, the nature of recognition of work for payment is another form of exploitation. For example, in the transport sector, up to dropping the customer is recognised as work for payment but what about coming back from the destination? Always, they must wait for work and should answer work call within 30 seconds. Only after the acceptance of the work they will know about the details of work. Penalty will be charged if accepted work is not completed.

Erosion of difference between working time and leisure time due to continuous wait for work. The ILO laments that the commodification of labour has reached its highest level with the gig economy.

In India Urban company destroyed all the small app companies in the field and emerged as a powerful company in 17 cities with 118 services belonging to household services, salon, beauty, massage, cleaning, repair etc. Its customers are 50 lakhs. Rural distress forced the youth to migrate to urban centres to get at least gig work. The 'delivery partners' are as high as 4 lakhs in Zomato and Swiggy by September 2019. The 'driver partners' in Ola are to the extent of 25 lakhs by 2020 and Rapido consists of 15 lakhs in 2021. All these companies prefer to take youth below 30 years.

The Fair Work India has formulated parameters based on just payments, working conditions, provision of dialogue with company to explain the problems and surveyed 17 Digital Platforms. Uber, Zomato and Swiggy got 1 out of 10 in every parameter, while Amazon, Ola and House Joy got 2 out of 10 in all the parameters. This clearly shows the precarious conditions of gig workers in the so-called great gig companies.

The development of capitalist exploitative system is closely associated with the emergence of frequent crises and their prolonged prevalence. Therefore, for the question of survival, people will migrate from rural to urban and backward countries to developed countries. The study of ILO clearly states that the gig economy consists of mainly migrant workers. The migrant labour in the gig economies of Argentina and Chile are as high as 70% in 2021 and in Australia, migrant labour are 1.5 times

relatively more. In India, China and Bangladesh gig economy consists of mainly internal migrants. However, migrant labour are relatively weak in bargaining and questioning. They must be docile and obedient. The migration itself is an additional weakness which gives another opportunity for gig companies to intensify labour exploitation further.

The Niti Aayog in India always speaks about encouraging gig economy in view of our demographic dividend. However, the ruling class has clearly declared that it's goal is to achieve \$5 trillion worth economy by 2025 with the aim of increasing the number of billionaires through incentivising supply chain. This is naturally associated with the negation of all labour rights. All these conditions are fulfilled in gig economy with highest informalisation, commoditisation and exploitation of labour. Therefore our ruling class, naturally encourages the gig system.

Further, the 'independent contractors' should make upfront payments to the company to work in the digital companies. For example, the contractors in beauty services in Urban Company should make rupees 50000 as upfront payment. The company took decision to increase this amount along with changes in certain other conditions. This has been protested by women contractors of the company in Gurgaon in December 2021. It is to be noted that the company has filed a case against agitating women in the court that it is illegal for independent contractors to agitate. The rising consolidation of gig companies throws the workers into further precarious conditions.

The commoditisation of labour reached its peak in gig economy to intensify the exploitation of labour. The digital companies shift the burden of capital costs and risks on to labour. Moreover, those who work in these companies have been intentionally given inappropriate designations as 'partners' instead of employees / workers so that labour laws and labour rights will not be applicable to them and labour unionisation can be made illegal. All these result in further increase in economic disparities which throws working class into vulnerable critical crisis.

As gig economy in India is closely connected with the intensification of labour exploitation as well as the destruction of livelihoods in informal sector, it has resulted in the rise in hunger and malnutrition among children. The deterioration of our country in Global Hunger Index clearly reveals this fact. Moreover, the gig economy in post-Covid, has strengthened in Urban India. At the same time, the problem of rising hunger is relatively higher in Urban areas. This clearly denotes the reality of sharpening of labour exploitation with urban centred gig economy. Moreover, in the post-covid period, the rise in the disparity of income and wealth distribution is excessive in all the countries irrespective of their stage of development. The average growth rate of global wealth is 3.2 percent. But, the growth rate of private wealth is

in between 6 to 9 percent. The growth rate of wealth of wealthy is higher when compared to growth rate of global wealth. This clearly indicates the intensification of labour exploitation on the one hand and the appropriation of small savings and little assets, if any, with the working class, by the wealthy class.

Therefore, the UNO, ILO and World Economic Forum strongly advocates governments to formulate new laws to protect the working class. The existing labour laws are negated in the present neo-liberal framework; what is the use of formulating new laws? It is an absolute reality that crises intensify under the structures of Capitalist exploitative system. The negation and destruction of working class and majority people will become indefinite. The only way available is to end the exploitative system to provide decent livelihoods to all.

Technological Innovations –Profit Motive – Future World of Workers:

It is usually stated that the destruction of livelihoods and consequent augmentation of working-class crisis is the result of technological innovations, especially the application and use of Robots, Automation and Artificial Intelligence. However, the trends of technical research will be decided and dictated by the profit motive of monopoly capital. The decisions regarding the use of new technology, whether immediately or to postpone it, in which sector and to what extent the new technology should be applied etc will be determined based on profits alone including the transfer of investment to backward countries to exploit cheap labour. Therefore, the technological innovations are themselves not independent and abstract. It is directed by the development of exploitative capitalist mode.

Interestingly, this reality has been recognised by the studies and reports of World Economic Forum, UNO and ILO. They state that the intensification of unemployment, labour exploitation, poverty, economic inequalities in the name of technological innovations pose serious obstacles for the achievement of the goal of sustainable development and healthy society based on stability and equality. They further say strongly that this dangerous trend should be arrested.

As per UNDESA estimates, 6 billion people will be at the working age by 2050. At present, 71 million people do not have decent livelihoods in the world. As high as 80 percent jobs will be at risk due to automation in the coming decades, especially, the middle level skills become obsolete. Another study states that the job loss in the manufacturing sector will be as high as 20 million by 2030 due to the use of robots. In the US alone, job loss will be to the extent of 25% due to automation in the sectors of retail, automation, marketing and logistics.

The World Economic Forum that surveyed 15 industrial sectors in 26 countries states that companies give importance to Big Data, Robotics, Artificial Intelligence and e-Commerce. As many as 43 percent companies are ready to decrease their

workforce. The danger of job loss is to the tune of 85 million people by 2025. Moreover, 50 percent of present workforce requires reskilling. Among them, 50 percent will be reappointed by the companies. What will happen to the remaining 50%?

As many as 35 countries are surveyed by IMF. The survey states that 97.3 million jobs will become obsolete. As per IMF staff discussion Note, 54 million jobs will be in danger due to Digitalisation and Artificial Intelligence in 28 OECD countries. Women constitute majority of the high-risk jobs. The global automation is expected to displace as many as 180 million women employees. The joint study of UNDP, ILO, UN on women reveals that 80percent jobs are in danger due to automation especially at low and middle level skills. The study, further, states that the automation danger is less when cheap labour is available.

The Oxford Economists and CISCO jointly examined 43 occupations belonging to 21 industries in ASEAN countries. The study states that 6.6 million jobs will become obsolete by 2028. Further, 32 percent jobs will become useless by 2030. McKinsey Global Institute study states that 1.3 to 2.3 million drivers will lose employment in coming 30 years due to the automation of commercial vehicles. The crisis in 2014 led to job losses in oil and gas markets. The sector is revived in 2018 but with 50,000 less jobs due to automation. The job loss after recovery is to the tune of 25 percent. The employment did not reach pre-crisis level.

As high as 75 percent workers lost jobs in coal mine and oil industries in Canada due to the shift to clean energy. The Bloomberg report states that 120 million workers need skills training in the coming 3 years. The study of the Brooking Institution states that the danger is high for highly paid jobs. As high as 35 percent of loan decisions are taken by Artificial Intelligence in Sber bank, the largest bank in Russia as per the study of World Bank. It is expected to increase to 70 percent within 5 years. Moreover, 3000 people lost employment in the legal cell of this bank due to the Robot lawyers.

The job threat is to the extent of 41 percent in Bolivia, 55 percent in Japan. However, the World Bank states that the danger of automation is less in emerging economies due to the excessive availability of cheap labour. As long as cheap labour is profitable to monopoly capital, it will postpone automation. The entire criterion is centred around profits. All this clearly reveals the fact that it is impossible for the working class to get decent lives and livelihoods under exploitative imperialist system.

Working Class in US which is Shown as the Model of Affluent and Developed Capitalist System:

In view of plethora of opportunities to exploit cheap and migrant labour, the monopoly capital flows out from US to emerging economies to get more profits. This

along with several Free Trade Agreements by the US government for the benefit of corporate forces resulted in the job loss to millions of workers in US especially in textile, furniture and other industries in manufacturing sector. A study in rural western North California reveals that the industries related to manufacture of glass, mirror products, furniture, textile industry which produces gloves, jeans etc are closed since 2001. Consequently, the rise in the unemployment is excessive in this region. Few people could get employment after 3 years with 57 percent less earnings.

As many as 18.6 million workers lost employment in US manufacturing sector during 1979–2001. As a result of North America Free Trade Agreement in 1992, as high as 24 to 27 percent workers are displaced from manufacturing sector in 1993–94. Technical progress is another reason. The aggressive expansion of gig economy since 2009 is another strong reason for job losses. It is a reality that the displaced workers will not get full time jobs. The Henry Farmer study states that their earnings will decline to the tune of 35 percent. Moreover, the earnings of work force are decreasing since 1990. The study, further, states that due to the continuous unemployment, under employment, instability, uncertainty, financial pressures, deaths and suicides are on the rise. All these are negatively affecting their family relations and affecting their children.

The job guarantee has completely disappeared in the regions and states of US which are centered on agriculture and manufacturing activity. The phenomenon of displacement of workers due to automation will have the dimension of racial and gender discrimination as stated by the study of Brookings Institution. The displaced workers are mainly from marginalised sections belonging to Hispanic, Native Americans, and African-Americans. The job risk is higher for women employees.

The McKinsey Global Institute 2017 reveals that 32 percent should search for other jobs by 2030 in US. The estimates of Oxford professors state that in the coming 30 years, job loss will be to the extent of 50 percent. On the other, there is a rapid decline in the public expenditure on the skills and training of workforce. The cost of higher education is sky rocketing. As per Federal Reserve, the debt burden of students is as high as \$1.57 trillion in December 2018. No job guarantee, rise in the insecurity and uncertainty, disappearing labour unions and working class movements.

The economic inequalities along with regional, racial and gender discrimination are on the rise continuously and aggressively from 1980 onwards. 40 percent households in US are unable to bear a sudden expenditure of \$400 as per Federal Reserve. Consequently, drugs and liquor consumption increased from the year 2000 onwards, so are suicides due to mental pressure. The conditions of working class in so called affluent US clearly reveals that the movement of exploitative capitalist

system is strongly connected to the destruction of lives of majority. The systems which are centered around intensification of labour exploitation will submerge in critical crisis.

Technical Research – State – Capitalist Class:

It is necessary to estimate the role of governments in the past century in technical research. The 'Welfare' governments declare that the main aim of public expenditure in the research related to Science and Technology is to attain human resource development for the happy and peaceful lives of present and future generations. The public sector research is compelled to work at the fundamental stage especially in the stages associated with high risk, high expenditure and high pollution with people's money. When it reaches a stage, where it is profitable to capitalist class, then the final results as well as patents will be transferred to corporate forces to enable them to claim all the benefits of progress in the Science and Technology. The capitalist class states that 'labour exploitation is its right' because, the labour is deteriorated to inferior status. Further, the capitalist class tries to show that they forgo part of the profits for the development of Science and Technology. Thus, the comprador bourgeoisie governments with their neo-liberal policies and measures extend strong support for the intensification of labour exploitation by the capitalist class.

Technology–Further Generations:

The authoritative control of monopoly capital on the human intellectual capabilities could create Robots and Artificial Intelligence in the name of wonderful technological advancements. These achievements have been aggressively used by the monopoly capital to show that the human intelligence and human labour are inferior, useless and obsolete. The corporate giants further project that the survival of labour is possible only with the charity of capitalist class. IBM survey states that the present education system is not relevant for future jobs. The joint study of Oxford Economics and CISCO states that the syllabi taught in present primary school education is not at all relevant to as high as 65 percent of future jobs. The present education system fails to prepare them. Entire future generations will be in danger of unemployment. The working class and middle class, trapped into debt circles spending on this irrelevant and useless education is therefore, part of the labour exploitation. Alibaba Robot of Microsoft in January 2018 stood first in global literary fest. Similarly Japan's Toda Robot got high score in the extremely competitive University of Tokyo's entrance test by pushing back 80% of extraordinary, intelligent and competent Japanese students. Thus, in the name of technological progress entire future generations are made obsolete.

Conclusion

The monopoly capital/Corporate forces will increase labour exploitation violently, in the name of technology, for profits under the exploitative imperialist mode. Consequently, the working class will be in crisis for ever. The capitalist class submerges in the vicious circle of crises to accelerate the centralisation of monopoly capital further. There is no life for the future generations. The natural resources, which are another source of value, are excessively used by the capitalist class resulting in the serious issue of environmental destruction. It is intolerable to bear the cruel exploitative system which is dangerously harmful to the existence of human kind. This must be ended. It is inevitable to build systems that are free from exploitation. The strongly consolidated movements of revolutionary forces are the only way to achieve this goal.