A FairWork Foundation¹

Mark Graham March 2017 Oxford Internet Institute, University of Oxford

When we use a product, a service, or even an algorithm that was brought into being with digital labour, there is no way to know whether an exhausted worker is behind it; whether they get laid off if they become sick or get pregnant; whether they are spending twenty hours a week just searching for work; how precarious their source of income is; or whether they are being paid an unfairly low wage. This proposal envisions a way of holding client firms in virtual production networks more accountable through the development of a 'FairWork Foundation.' It operates under a governing belief that core transparent production networks can lead to better working conditions for digital workers around the world.

The Concerns

Today, there are 48 million workers globally who are registered on online labour platforms, cumulatively doing work that according to the World Bank consists of 5 billion dollars' worth of transactions this year². We still know very little about where these workers are, what sorts of work they are doing, and – most importantly – the conditions under which they labour.

However, my research group at the Oxford Internet Institute, and a few others around the world, are starting to chip away at these gaps in knowledge. In our case, we are engaging in two multi-year, multi-continent research projects (geonet.oii.ox.ac.uk and oii.ox.ac.uk/projects/microwork-and-virtual-production-networks) which aim to better understand the benefits and risks that may be associated with digital work³.

¹ This document can be cited as: Graham, M. 2017. A FairWork Foundation. Oxford: Oxford Internet Institute.

² Kuek, S. C., et al. (2015), The global opportunity in online outsourcing, Washington, DC: World Bank.

³ For some preliminary results, see the following publications:

Graham, M., Hjorth, I., Lehdonvirta, V. 2017. Digital labour and development: impacts of global digital labour platforms and the gig economy on worker livelihoods. *Transfer: European Review of Labour and Research*. https://doi.org/10.1177/1024258916687250.

Graham, M., Lehdonvirta, V., Wood, A., Barnard, H., Hjorth, I., and Simon, D. P. 2017. <u>The Risks and Rewards of Online</u> <u>Gig Work At the Global Margins</u>. Oxford: Oxford Internet Institute.

From our own work, and the research of others, it is clear that there are ample risks. Many workers have jobs characterized by long and irregular hours, intense work, low income, and tedium. The combination of highly commoditized work, and a global market for this work, means that many digital workers feel that people in other parts of the world will undercut them, and take their jobs if they request better working conditions or higher wages. Work also tends largely to be done outside of the purview of national governments, with very few clients paying attention to rules that are on the books in either their home countries or the worker's home country. Lacking the ability to collectively gather and withdraw their labour, these workers increasingly need an effective way to improve working conditions.

The Opportunities

Because transnational flows of commodities and labour frequently involve long, complex, mediated, and opaque production networks, a range of intermediaries have emerged to critically analyse working and production conditions in upstream nodes on supply chains. Consumer watchdog magazines like *Which?*, *Consumer Reports*, and *Stiftung Warentest* seek to reveal information that sellers of end-products often wish to conceal. Organizations involved in certification schemes (such as *Fairtrade* and *The Rainforest Alliance*) attempt to ensure that minimum standards are adhered to, and activist organisations like *Sourcemap* aim to increase informational transparency in supply chains⁴.

The idea underpinning all of this work has been a belief that information and communication technologies (ICTs) could be used to not just facilitate the easy geographic movement of products and services, but also to facilitate a more transparent geographic flow of information about those products and services. If consumers or buyers have more information about products and products and production practices, then it becomes less likely that firms would be willing to engage in ethically dubious practices⁵.

⁴ Cook, I. (2004). Follow the thing: papaya. *Antipode*. 36:642-664.; Kleine, D. (2015). Putting ethical consumption in its place: Geographical perspectives. Ethics and Morality in *Consumption: Interdisciplinary Perspectives*. Shaw, D., Newholm, T., Chatzidakis, A. & Carrington, M. (eds.). London: Routledge.

⁵ Hartwick, E. (2000). Towards a Geographical Politics of Consumption. *Environment and Planning A: Society and Space*. 32:1177-1192.; Graham, M. and Haarstad, H. (2011). Transparency and Development: Ethical Consumption through Web 2.0 and the Internet of Things. *Information Technologies and International Development*. 7:1-18.

However, thus far, most of these initiatives have used physical goods (like a chocolate bar or a wooden table) as a mechanism to peer backwards through production networks. The rise of digital labour presents a different issue, as outputs have a less solid form. In other words, it is more challenging to trace the origins of all labour that goes into the configuration of a search engine's results page than it is to trace who was involved in the production of a bag of coffee.

Building A FairWork Foundation

While consumers of products from companies like Starbucks and Cadburys have pressured those companies into ensuring that the entire chains of production are certified as Fairtrade, users of Google or Microsoft have no similar way of persuading those firms to behave ethically. Users of Facebook, Google, and other digital services, sites, apps, and algorithms currently have no idea if the workers that help to create and maintain those services are treated fairly or paid living wages. In many cases, users may be unaware that there are actually any human workers at all behind those services. But, the fact that the act of tracing production networks of digital services and products is a challenging task should not deter us from trying.

I propose two mechanisms to address this gap through the FairWork model:

1. Monitoring and certification

The FairWork Foundation will emulate best-practices adopted by similar-minded groups such as the Fairtrade Foundation and the Fair Trade Software Foundation. Specifically, it will certify that core ILO labour standards are obtained⁶. This would mean ensuring that workers are paid living wages in their home countries, have appropriate social and economic protections, and are not saddled with an undue amount of risk⁷. A licensing system with variable fees for clients will be used to verify standards and support FairWork initiatives. Particular attention will be paid to wages given to workers (and associated hours worked).

Funds for workers

⁶ Burchell, B., Sehnbruch, K., Piasna, A. and Agloni, N. (2014). The Quality of Employment and Decent Work: Definitions, Methodologies, and Ongoing Debates. *Cambridge Journal of Economics*, 38:459-477.

⁷ See [Wright, C. F., and Brown, W. (2013). The effectiveness of socially sustainable sourcing mechanisms: Assessing the prospects of a new form of joint regulation. *Industrial Relations Journal*. 44:20-37.] about the potential effectiveness of such methods.

A **minimum wage** will be set to cover the cost of associate with a worker meeting their basic needs in any given place. The wage will be locally specific, and will have to be developed in collaboration with groups like the *Living Wage Foundation*.

A **FairWork premium** will also be added, building three collective funds for groups of workers to use to improve their conditions. This emphasis on collective projects will help to combat the increasing atomisation of digital workers and help them see themselves as potential collaborators rather than competitors.

The first of the funds will follow the Fairtrade model of allowing groups of workers to determine what projects are most important to them. Local groups of workers can collectively decide to spend money on projects related to education, their environment, healthcare, or infrastructure⁸.

The second of the funds will be used to nurture and build nascent 'platform cooperatives'⁹, or online platforms that source digital work and are owned by the workers who source work through them (rather than current owners who extract rents from every transaction, but give little back to communities of workers themselves)¹⁰.

The third of the funds will be used to support or establish a cross-platform rating system for clients and workers. At the moment, rating systems on digital work platforms lock workers into specific platforms and act as a prohibitive barrier from their ability to use other intermediaries. A crossplatform rating system (perhaps deploying blockchain-based verification) could be used and maintained to free workers from particular platform lock-ins.

Certification

Two types of certification¹¹ will be available.

⁸ Examples from the Fairtrade Foundation include the building of local schools or health clinics. Examples for digital workers might look more like community childcare or community computer repair clinics.

⁹ I am a founding member of, and helped to launch, the Platform Cooperativism Consortium – which supports the development of digital/platform cooperatives through research, documentation of best practices, and the coordination of funding. The Consortium is an international network dedicated to helping efforts such as this that aim to build sustainable cooperatives.

¹⁰ One example of an already-successful platform cooperative is 'Stocksy' (a cooperative for stock images). The city of Barcelona is also beginning to experiment with local support for cooperatives in their local platform economy.

¹¹ It should be noted that while the Fairtrade Foundation struggled in its early days to get lead firms to recognise the value of prominently displaying a Fairtrade certification, their efforts ultimately proved highly successful and 'ethical branding'

Bespoke-certification: Any client- or end-firm in a production network who invests in certifying their virtual production network will be awarded a FairWork mark. This logo could be prominently displayed on websites, apps, and digital products, demonstrating that the company has a commitment to decent, fair, and ethical working conditions. This will be most useful for large, international organisations with the resources to monitor complex supply chains.

Ongoing-certification: This will be useful for small-businesses and individuals who currently source work from online labour platforms and lack the resources to monitor distant supply chains. The FairWork Foundation will maintain an ongoing directory of groups, companies, and cooperatives of workers who adhere to the above-mentioned principles. Clients who source digital work exclusively from these providers will be able to use the FairWork mark.

2. User-generated content

The FairWork Foundation's certification scheme will allow companies and clients who have a commitment to fair terms of trade to build their products and services without concerns about being exploitative. However, the certification does little to protect workers from organisations and clients who behave unethically. As such, we additionally propose a user-generated platform (*FairWiki*) designed to 'name and shame' firms linked to questionable production practices and poor labour rights issues.

Specifically, FairWiki will consist of a website built using the MediaWiki or Semantic MediaWiki technology (i.e. similar to Wikipedia or Wikitravel) to encourage Internet users from around the world to upload text, images, sounds, and videos of any node on any virtual production network.

The hope is that ultimately a large enough body of data will be assembled to allow consumers to find out information about the human labour behind the digital chains of all large digital firms¹². For example, users knowledgeable about a content moderation sweatshop in the Philippines, or a small outsourcing firm specialising in image tagging in Kenya, will be able to create entries for those operations and upload information about them to FairWiki. Another user, who is familiar with an

has become commonplace. This will greatly reduce some of the conceptual start-up costs for new organisations such as the FairWork Foundation.

¹² Based on what we know about Wikipedia, it would be best to initial restrict FairWiki to the virtual production networks of large multinational firms. Tracing the networks of smaller organisations could be added at a feature at a later date.

Indian outsourcing firm that takes tasks from an American client and re-packages them for the firms in the Philippines and Kenya, will then likewise be able to upload information about that Indian firm. This process of continual user engagement with the FairWiki will allow for a bottom-up creation of the production chains of digital work. In much the same way that Wikipedia (and every other large-scale wiki-project) relies on the contributions of hundreds of thousands of microspecialists, so too will FairWiki rely on a global community of workers and activists. Active collaborations can be formed with organisations such as Oxfam and Amnesty International who already collect such data.

If there are problematic production practices at any site of production (e.g. workers being fired for unionising in Kenya, or workers being effectively paid below the minimum wage in the Philippines), those concerns will be linked in the database to a lead firm based on the other side of the world. Practically, this would mean that a FairWiki user can type in the names of large firms that make apps, control search engines, or host social networks, and see if they are associated with any concerning labour issues. Firms that are tagged will then have an incentive to ensure that all the organisations that they outsource to also treat their workers fairly.

Next Steps

To operationalize the ideas in this pitch, there is a need to bring together a steering committee with representatives from unions, firms, government, and academia to discuss its goals in further depth. This committee could oversee the creation of a legal entity for the Fairwork Foundation, and its rules of governance. Efforts can then be made, in consultation with experts on digital work, to hone guidelines for both the FairWork Certification and FairWiki.

This document is intended as a first step, and an outline of what is possible. If there is interest, any of these ideas can be further expanded upon. In sum, it is important to remember that many of the millions of digital workers who are embedded into global virtual production networks currently have little bargaining power. Their ability to collectively bargain is limited, and they are often not protected by existing rules and regulations. As ever more people come online looking for jobs, the prospects for workers collaborating instead of competing look bleak. A FairWork Foundation offers viable strategies to change that by pressuring employers to improve wages and working conditions.