

# 1 Strugglers, Strivers, and Success Stories

Sarah was unemployed.<sup>1</sup> After leaving a position in casting for a critically acclaimed Netflix show, the twenty-nine-year-old waited for a series of promised jobs that never panned out. A friend recommended TaskRabbit.

At first, Sarah thought the site was a waste of time, but the traditional nine-to-five jobs she was finding elsewhere were unappealing. “Everything I wanted to do pretty much didn’t pay, like film work,” she said. “So I just kind of stayed with TaskRabbit. I could build a schedule, and it was just really reliable. I couldn’t believe that I could make a living off of it.”

Before long, more than 90 percent of her income was coming from TaskRabbit, and Sarah made plans for her first “actual vacation,” a trip to Puerto Rico. A week before her trip, TaskRabbit announced its first pivot, changing from a bidding marketplace to more of a temporary-agency model, with Tasker availability posted in four-hour increments. Workers were required to respond to client emails within thirty minutes and accept 85 percent of their offered gigs.

“I was just freaking out the entire time, and I didn’t know if I should spend any money on fun things on my vacation. I didn’t know what was going to happen, and [TaskRabbit] kept saying it was a really good thing,”

she said. “But [the Taskers] kept saying, ‘It’s not a good thing,’ and everyone was really worried.”

Concerned that she would slip below the 85 percent acceptance rate, Sarah felt a lot of pressure to accept any work she was offered. “I had no control over what I would be getting and when. So I just took pretty much everything that I could,” she said, including cleaning an apartment that she described as “a crack den.” She told me, “I was actually nervous in there. . . . You would think that a lot of drugs happened there—basically everything just looked like it was covered in dirt and mud. It almost looked like there was mud even on the pillows. And I was like, ‘I can vacuum and clean your bathroom.’”

But being picky about tasks has its own risks. In Sarah’s experience, TaskRabbit’s algorithm highlights people with high acceptance rates or high availability. “They want you on call for free,” she said, before describing her schedule instability as “frustrating. . . . [Y]ou are always thinking, ‘Oh, in five months I am going to be [sleeping] on a bench somewhere.’”

Baran, twenty-eight, is a college student at a local university who drives for Uber and Lyft. In New York, app-based drivers have the same insurance and licensing requirements as taxi drivers, a cost that usually runs several thousand dollars. To sidestep this considerable start-up expense and the associated annual costs, some drivers rent a licensed, insured, and Uber-approved car through local services or utilize Uber’s fleet-owner and driver matching service. Baran rents such a car for four hundred dollars a week. “You have to work at least three days to just cover your [car] expenses,” he says. “Two days for the rent, and one more day sometimes for the gas and other things. After the three days, whatever you make, it just belongs to you.”

Baran works twelve-hour shifts, from eight a.m. to eight p.m., on his workdays and tries to make \$250 per day after accounting for the Uber fees, but before paying for tolls. He showed me his weekly earnings: most were under \$800. His earnings showed a single week of making over \$1,000. “That week I was really lucky,” he said. “I kept going back and forth to the airport. It was like finding a unicorn.”

In the tech world, a “unicorn” is a statistical rarity, a privately held start-up worth over a billion dollars.<sup>2</sup> In Baran’s experience of driving for

Uber, making a thousand dollars—before paying for weekly car rental expenses—is equally mythical.

Baran describes his costs as “spending money to make money,” but each week he incurs a considerable debt that he must work off before he can earn the money he needs for rent and food. He’s thankful he isn’t using one of the Uber or Santander financing programs (discussed in chapter 3), either of which, he says, amounts to “a deep hole” and “modern slavery.” But his current pay-to-work situation also sounds suspiciously like indentured servitude, a practice outlawed more than a hundred years ago.

“The *sharing economy* is the term which they use for getting around rules so they don’t have to pay taxes. . . . I’m not a partner. I’m an independent contractor. *Partner* means that you are sharing somewhat, because you are partners. All of the costs have been covered by me. . . . I’m not a partner. I’m an independent contractor. They can kick me out anytime they want. If I was a partner, they couldn’t do that,” he said. “They can do whatever they want. [Uber] became a forty-billion-dollar company. What can you do?”

Baran tries to not think about his gig work too much. “Uber is for me—it’s like I go to an isolated place. I don’t want to, you know, bring anything home from that place to my normal life,” he said. “I don’t want anybody to think I have something to do with it.”

Shaun, thirty-seven, an African American male, is another New York City transplant. Previously living in Westchester, a suburb north of New York City, he turned to TaskRabbit when the cleaning service he was affiliated with couldn’t provide any work. “I came to New York City basically out of desperation to find some type of work,” he said.

When I met Shaun, he was splitting his time between two part-time gigs: four days a week as a part-time personal assistant and two to three days a week on TaskRabbit. “Normally I try and set goals, saying, ‘If I make at least two hundred dollars in two days, then I could just rest on a Sunday,’” he said. “The only thing that I kind of regret is that I lack a social life.”

Working seven days a week doesn’t leave much time for friends, but Shaun has credit card debt and firsthand experience with the challenges of finding housing on a low income. “I was homeless a couple of times

before. I was literally living on the streets,” he said. “Since it was September and it was still warm, I decided to just stay on the streets versus going to the shelter. Every once in a while I’d actually go to Airbnb and get some place to sleep. But I mostly remained on the streets until I was able to afford a place where I could go weekly. The first place I went to was Long Island City [a neighborhood in Queens]; but the roommate was an asshole, so I moved into an illegally run hostel. When I got tired of that, I moved to a room. And I’ve been there ever since.”

“The personal assistant job is enough by itself to rent the room and take care of myself, but it is not enough to help me unload the credit card debt and to save up money,” he explained. “So this basically helps me save money and to help get rid of debt. . . . I’m not planning on doing this for long; I’m just trying until I can work at a stable job. . . . [A]nd then afterwards I’ll do TaskRabbit once in a while just for extra money, instead of depending on it like a second job.”

Shaun doesn’t think of himself as a entrepreneur. “I think of myself as a hustler,” he said. “Basically, right now I’m just money-motivated. I have the attitude where I am basically doing things that I don’t think I can do to get by. So there are times when I would look at a job, and someone might say, ‘You’re sure you can handle it?’ And I’m like, ‘I don’t know what I’m doing.’”

Unlike driving for Uber or working as a Kitchensurfing chef, Taskers can be hired for a variety of tasks. In some cases, Shaun has proven to be a quick study, such as when it came to building Ikea furniture. “The one thing that I’ve done that I kind of regret doing was [when] someone hired me to tune a door handle, one of those automatic door handles. And I went there thinking I know what’s going on—until I looked at the door handle,” he said. “It took me like a good thirty minutes to figure it out, but not before the [door swung out and the] glass hit the desk. They gave me a negative review, saying, ‘I don’t think he knows what he’s doing.’”

Shaun has since sworn off fixing automatic doors. And after getting injured on a TaskRabbit gig, he’s also stopped accepting moving tasks. “I helped lift a dresser. Had to pull [it] up a flight of stairs. It was two dressers, and even though I had assistance, I’m carrying stuff that weighs about 125, and my current abilities can only allow me to carry 50 pounds. So yeah, I stretched my back, and I just walked out of there saying, ‘I’m okay.’”

But when I'm out, I'm like, 'Ouch.' My mind thinks I'm twenty-five, but my body is way older," he said with a chuckle. "And I keep telling myself, 'Yeah, let me just lose a couple of pounds, let me just lose the stomach or at least get my flexibility back before doing things like that again.'"

The stories from these twentysomething and thirtysomething workers underline the volatility of working in the twenty-first-century gig economy. Taking jobs in what has been heralded as a futuristic utopia of choose-your-own-adventure employment with flexible schedules and unlimited earnings, these young workers have instead found themselves working long hours for little pay and less stability. The autonomy they expected—work when you want, doing what you want—has been usurped by the need to maintain algorithm-approved acceptance and response rates. Sarah and Shaun find themselves pressured to accept unpleasant tasks, constantly hustling, while every week Baran must earn more than four hundred dollars just to break even on his Uber rental. Rather than finding financial freedom, these workers find themselves on the losing side of an outsourcing equation where they are responsible for platform “service fees” and encounter workplace expenses usually financed by employers. The promise of modern-day, app-driven entrepreneurship has yielded the bleak employment and living conditions of the early industrial age.

#### THE SHARING ECONOMY IS A MOVEMENT FORWARD TO THE PAST

Welcome to the sharing economy, a nebulous collection of online platforms and apps that promise to transcend capitalism in favor of community. Supporters argue that this new economic movement, alternatively described as the on-demand, platform, or gig economy, will build community, reverse economic inequality, stop ecological destruction, counter materialistic tendencies, enhance worker rights, empower the poor, and bring entrepreneurship to the masses.<sup>3</sup> The sharing economy promises both an idyllic, boss-free future, where workers control their incomes and hours, and to be a cure-all for the woes of modern society.

Yet for all of its app-enabled modernity, the gig economy resembles the early industrial age, where workers worked long hours in a piecemeal

system, workplace safety was nonexistent, and there were few options for redress. Despite its focus on emerging technology—apps, smartphones, contactless payment systems and review systems—the sharing economy is truly a movement forward to the past. Workers find themselves outside even the most basic workplace protections regarding discrimination and sexual harassment, the right to unionize, and even the right to redress for workplace injuries. The sharing economy is upending generations of workplace protections in the name of disruption and returning to a time when worker exploitation was the norm.

This book explores contradictions between the lofty promises of the gig economy and the lived experience of the workers, between app-enabled modernity and the reality of rolling back generations of workplace protections.

The sharing economy promises flexibility and work-life balance, but while Baran works only four days a week, those days are twelve-hour shifts. Sarah and Shaun are free from reporting to a single employer, but the gig economy increasingly tethers them to work: they're constantly on call, hustling to make money. Thanks to service algorithms, the decision to work isn't always in their hands. The gig economy offers "flexibility," but if they spend too much time away from the platform, they may discover they've been "removed from the community," or "deactivated."

When it comes to the sharing economy's promise to bring entrepreneurship to the masses, their careers diverge even more. Sarah doesn't think of herself as an entrepreneur, but TaskRabbit tells her she is, and that the service is "incentivizing" her entrepreneurship through its commission structure. Yet successful Airbnb entrepreneurs (discussed further in chapter 7) are described by the platform as "bad actors" who are using the service to run de facto hotels, instead of just making extra money on the side.<sup>4</sup> And Shaun? He's just hustling.

Much like fledgling entrepreneurs, gig economy workers find that getting work often requires doing unpaid work. Workers must maintain profiles and respond to emails from prospective clients or even just keep clicking "refresh" on their app—all of which is unpaid work. Sarah and Shaun are not always being paid to work, but they are always working. And Baran is "spending money to make money," but his ability to make money is dictated by Uber's policies and algorithms. Such contradictions

lie at the center of the sharing economy. And yet, questioning these contradictions is not merely an academic exercise but one that has real implications for millions of people.

In 2016, the Pew Research Center found that nearly a quarter of American adults had earned money in the “platform economy” over the last year.<sup>5</sup> Economists Lawrence F. Katz and Alan B. Krueger found that online services such as Uber and TaskRabbit accounted for .5 percent of all workers in 2015— an impressive level of growth for a five-year-old industry.<sup>6</sup>

Yet for all its growth, little is known about the actual, lived experience of working in the gig economy. Who are these workers? Why are they willing to work without hard-earned workplace protections? Are they entrepreneurs or idealistic “sharers,” or is this simply “unemployment lite”? Why are they investing their time and personal financial resources in work that is entirely out of their hands? What types of challenges and dangers—emotional, physical, or financial—do they experience? What does this mean for the future of work? And what does this mean for our society?

My book is the first—and perhaps still the only one—to build on firsthand accounts from nearly eighty workers and to place their stories in the context of larger social structures and trends in American society. It’s also the only one to focus on four very different services—Airbnb, Uber, TaskRabbit, and Kitchensurfing—that illustrate the larger issues of skill and capital in the gig economy. (It’s highly illustrative that two of those services are doing better than ever, one is trying to establish a clear identity, and one is already defunct.)

Many of the sharing economy books written to date have been by journalists or business school professors. Most serve as cheerleaders—the trend is great, the problems are minor, and so on. But as a sociologist, I take a more critical perspective. My book acknowledges the potential of the sharing economy and examines the challenges for workers. Instead of just telling readers about the sharing economy, I raise important questions about this new economic movement. My goal is to leave you reexamining some of what you’ve read previously. For instance, if this is a great opportunity for people to own their own businesses, why are workers embarrassed to work in the gig economy? What does it say about this type of work that workers lie to family and friends rather than admit that they

drive for Uber or clean homes via TaskRabbit? If this is the so-called sharing economy, why does everything have a price?

As a sociologist, I examine the larger social forces that lead workers to take on gig work or turn to multiple jobs to make ends meet. I link trends in outsourcing, wage stagnation, income volatility, and mass layoffs to the rise of this “alternative” work. I focus on the stories of the workers in order to put the sharing economy in the context of larger trends related to income inequality and American labor struggles over the past two hundred years. This historical connection demonstrates that while the underlying notion of a “gig economy” is fundamentally forward-facing—new tools, new capabilities, and new ventures—most of its basic practices are distressingly familiar. It’s an exercise in regression, returning workers to an era of rampant exploitation. It may be app-enabled, but this so-called disruption is definitely not leading to anything new.

#### FROM SHARING TO EARNING

From the beginning of the Great Depression and until the early 1970s, the trend in income distribution in the United States was toward greater equality, with the percentage of national income held by the wealthiest 1 percent of families dropping by more than half. But by the mid-1970s, that trend began to reverse. From 1993 to 2010, for the bottom 99 percent of the income distribution, the real growth rate in income was 6.4 percent, while the top 1 percent experienced a real growth rate of 58 percent. More than half of all real income growth in the economy went to families at the very top of the income distribution, a reversal described by Paul Krugman as the “Great Divergence.” But while worker wages stagnated, the pay received by top business executives has soared in the last twenty-five years. “In 1979 the ratio of the pay received by the average CEO in total direct compensation to that of the average production worker was 37.2:1. By 2007 (the year before the recession) it had grown to 277:1.”<sup>7</sup>

The high levels of income inequality immediately before the Great Depression and Great Recession have led some to suggest that high levels of income inequality may precipitate economic crises by destabilizing the economy as a whole. Although the incomes of the wealthiest also declined



during the Great Recession, the Federal Reserve's triennial report, the 2014 *Survey of Consumer Finances*, shows that in the three years following the Great Recession, the typical American family's income declined 5 percent. In addition to seeing their overall wealth fall by 2 percent, cash-strapped families did not save any additional money for retirement, and student loan debt continued to increase. Only the highest-earning households experienced income gains, causing the gap between the wealthiest and the poorest families to widen.<sup>8</sup>

Early in the first decade of the twenty-first century, the gap between earnings and expenses was met with an increased use of credit cards and revolving lines of credit. By 2001, 75 percent of households utilized credit cards—a 50 percent increase since 1970.<sup>9</sup> Credit card debt became increasingly common as the millennium continued: by 2007, 72 percent of households were carrying a balance.<sup>10</sup>

In 2008, the Federal Reserve Board reported that Americans carried \$2.56 trillion in consumer debt, up 22 percent since 2000. Household debt, which included mortgages and credit cards, represented 19 percent of household assets, according to the Federal Reserve, compared with 13 percent in 1980. The nation's savings rate—which exceeded 8 percent of disposable income in 1968—was just 0.4 percent by 2008, according to the Bureau of Economic Analysis.<sup>11</sup>

There are two general solutions when one's income doesn't match expenses: either cut expenses or increase income. The early days of the sharing economy—often described as collaborative consumption—included such free services as Couchsurfing.com and Craigslist, which were viewed as a way to decrease the expenses of consumption. Makerspaces and swaps allowed users access to low-cost or free products. As the sharing economy grew, free services were replaced with fee-based services. Couchsurfing.com was largely usurped by Airbnb.com; clothing swaps were replaced with Tradesy.com, an online designer-clothing reseller marketplace. Instead of cutting expenses through sharing, the focus moved to growing income by renting out one's "surplus," such as an unused room or one's free time on evenings or weekends. In this way, the sharing economy became a way for workers to supplement their incomes.

And the sharing economy appears to be fulfilling a real need. According to the Economic Policy Institute, the hourly wages of middle-wage workers

were stagnant from 1979 to 2013, rising just 6 percent—less than 0.2 percent per year.<sup>12</sup> The Pew Research Center notes that after adjusting for inflation, today's average hourly wage has stagnated: "The \$4.03-an-hour rate recorded in January 1973 has the same purchasing power as \$22.41 would today."<sup>13</sup> Although the US unemployment rate has reached record lows, there's a real perception that workers are not making enough and are taking a step backward, or at least remaining static.

Millennials (born between 1980 and 2000) are known for early adoption of technology, but also for being disproportionately affected by the Great Recession.<sup>14</sup> According to Bureau of Labor Statistics data, young people ages sixteen to twenty-four had an unemployment rate of 15.5 percent in 2013 and 14.2 in early 2014, leaving many of them unable to rent apartments and purchase or furnish homes. In contrast, the unemployment rate for people ages twenty-five and over was 5.4 percent in early 2014. Unfortunately, graduating college in the middle of an economic recession appears to have long-term effects on one's earnings potential; such graduates experience a statistically significant wage loss even fifteen years after college graduation.<sup>15</sup> Given this wage loss and high levels of student loan debt, it's not surprising that almost half of twentysomethings in major cities are relying on rent subsidies from their parents.<sup>16</sup> For millennials contending with the possibility of downward mobility, earning additional income through the sharing economy can be a popular stopgap measure—the majority of gig economy workers are between the ages of eighteen and thirty-four.<sup>17</sup>

#### STRUGGLERS, STRIVERS, AND SUCCESS STORIES

As I met and interviewed workers, the same themes arose again and again: some workers were struggling, others were excelling, and a large portion fell somewhere in between. I characterize the workers as falling into three main types: Strugglers, Strivers, and Success Stories.<sup>18</sup>

The Success Stories have used the gig economy to create the life they—and many of us—want. They are their own bosses, they control their day-to-day schedule, and the sky seems to be the limit in terms of how much money they can make. The flexibility of the sharing economy means that

they aren't tied to a desk or even a city; they can run their companies via app while lounging on a beach or passing time in a bar.

At the other end of the spectrum are the Strugglers. These are the workers who have turned to the sharing economy in a fit of desperation. They include the long-term unemployed and undocumented workers, who—thanks to the growing prevalence of E-Verify, a federal program that confirms employment eligibility—struggle to find work. In some cases, they are simply temporarily down on their luck: a job loss or personal crisis caused a major setback and their already-strained savings couldn't handle the increased pressure. These college-educated workers found themselves struggling to pay rent, to afford food, even to collect enough quarters to do laundry. Finally, some of the Strugglers were reasonably successful—even believing themselves to be Success Stories—until the platform they were on performed a “pivot,” techspeak for a mission change and policy overhaul. Much like automation led to the wholesale layoffs of automotive workers, pivots lead to Strugglers trying to reinvent themselves. But unlike automotive workers, sharing economy workers generally receive little to no advance notice of major workplace changes, and they have no unemployment safety net to fall back on.

The appeal of the Success Story is unmistakable. The fear of the Struggler situation is overpowering.

And yet, these two extremes don't tell the whole story. There's also a third possibility for sharing economy workers. The Strivers are those who have good jobs and stable lives and who turn to the sharing economy for a bit of added excitement or extra cash. Unlike the Success Stories, they aren't looking to make thousands of dollars from their sharing economy work; they don't talk about scaling up or incorporating. Although some Strivers discuss making this a full-time job, they remain hesitant to leave their mainstream stability and workplace benefits or are using the gig economy while they transition to a new career or start a business. Unlike the Strugglers, these workers don't necessarily need this money to survive, although it can provide a more comfortable lifestyle: the occasional vacation, additional funds in the bank, a bit more financial security.

I use the term *worker* here as a matter of convenience but also of accuracy. These individuals are not employees, a specific workplace classification that I discuss further in chapters 3 and 4. But even though they are

not employees, they are definitely working. While hosting an Airbnb guest or cooking as a Kitchensurfing chef may be fun, there is work involved. Few people would participate in this activity without the cash reward that follows, a fact that many workers freely admit.<sup>19</sup>

I caution, however, that the categories I provide here are ideal types.<sup>20</sup> Although I describe these distinctions as clear-cut, it's not uncommon for a Striver to have qualities in common with the Strugglers or the Success Stories. In some cases Strivers would be considered Success Stories in the mainstream, nonsharing economy, even as they struggle to provide a middle-class lifestyle for their families.

Amy, a thirty-six-year-old white woman, is a perfect example of this contradiction. A former nonprofit executive married to a lawyer, Amy had several children and was expecting another. I met Amy in a coffee shop near her East Village brownstone on a muggy summer day in New York City. I was excited that she had accepted my interview request. Many Airbnb hosts talked about hosting until they had kids, but Amy's children were the impetus for her Airbnb hosting.

She and her husband rented a brownstone in district 1, one of the few "choice" districts with no zoned schools. Part of the Lower East Side/East Village, district 1 has a number of alternative and experimental schools, but it's also just blocks away from district 2, which has some of the best public elementary schools in the city.

Unwilling to give up their apartment, but also wanting their oldest child to attend a strong school, Amy and her husband moved to a local rental complex that was comfortably ensconced in district 2. They turned their brownstone into an Airbnb rental. "We were essentially trying to figure out how we could recoup some of the rent," she said. "If we can't afford private school, I at least wanted to get into a good public school—you know, not right at the bottom of the barrel." New York gives siblings preferential access to neighborhood schools, so Amy's family can return to their apartment later, confident that their younger children will get into their preferred school.<sup>21</sup>

Renting out their primary home hasn't been easy. Their apartment tends to attract fellow families, something Amy and her children have struggled with. "Renting it to families creates a lot more work in turning it over," Amy said, detailing her efforts to clean and reorganize toys after

each stay. “I went once with my son because my nanny was sick. I just had to go. [I brought] both kids, and they had a really hard time walking in and realizing someone had slept in their beds, someone had played with their toys. They were really upset about it.”

As in the cases of many other Airbnb hosts, Amy hasn’t told her landlord about her rental activities. The need to be discreet further adds to the stress. Unable to afford the carrying costs of both homes, Amy maintains a balancing act, being attentive to the needs of her guests to ensure that they give her positive reviews and making certain that her landlord doesn’t find out about the rental.

A recent situation with a maintenance worker highlighted the difficulties of that discretion. Amy’s landlord notified her that a worker needed access to her apartment, and she let her guests know. Unfortunately, the worker was there for several hours and repeatedly needed to be buzzed in, effectively transforming the Airbnb guests into de facto doormen for most of a workday. The guests were understandably frustrated and requested a rent reduction.

“We were really nervous. . . . [W]e were just paranoid that they were going to write a review that was awful and give us two stars,” Amy said. “I was like, ‘Let me treat you to dinner. . . . [T]ell me where you want to go; I will call ahead.’” The guests declined her offer, noting that they would be around for only a few more nights and didn’t plan to go out. “I bought wine and chocolates and a little thing for the kid, and I’m like, ‘Well, at least enjoy your few nights home,’” she said. “We felt really responsible, but this was out of our control and we were so worried about making amends with them. [If you get] one bad review or one low star rating, it just affects everything, and then you don’t come up [in the search algorithm] and it looks like it’s not a place that’s worthwhile to stay in.”

Maintenance worker snafus aren’t the only challenge. Needing to charge a premium for the apartment, Amy has become an on-call concierge, putting her guests in touch with local babysitters, suggesting activities for kids, and making restaurant recommendations. Like many hosts, she provides an extensive booklet of suggestions, but people often have questions or special requests that she feels obligated to fulfill. Indeed, when we met, she was just finishing an hour-plus meeting with a guest who needed additional hand-holding. Amy and her family may be mainstream Success Stories, but they’re sharing economy Strivers.

Likewise, Ashley, a twenty-six-year-old white female, highlights how some Strivers are precariously close to Strugglers. Ashley has a full-time job, with benefits, managing local drugstores, but she still describes herself as “trying to make ends meet.” When an unemployed friend turned to TaskRabbit, the personal assistant site, and was able to set her own hourly rates, Ashley decided to do the same. “I can actually use my main job for serious expenses, and then the side jobs that I do are for my little minuscule expenses,” she said. “Major expenses would be paying rent or going on vacations or having to go to a doctor appointment or if something medically went wrong and I had to go to a hospital—anything of that kind of nature, where my main job would have to cover those finances. . . . I can use the side job for the little things, because they always add up to the big things.”

Working two jobs is a good way to make extra money, but it’s time-consuming—and exhausting. Ashley tries to balance jobs that require extensive manual labor, such as a deep cleaning, with easier jobs like errand running. Accepting a deep-cleaning job requires an expected-energy-level calculation. “I have to think to myself: ‘Am I willing to sacrifice my exhaustion level for the pay?’ Or am I going to just say, ‘You know what? I need a day off.’ But the problem is, if I already put that availability, it wouldn’t matter how tired I am. I would have to go,” she said. “Every day, you don’t know what can happen but you have to plan—like, could you see yourself being exhausted that day regardless of what you worked? So that’s always the Catch-22. But even when there are days that I would be extremely tired, I would still make sure that I would get there. Because that person needs the help, and I’m not usually the kind of person to say, ‘Sorry, I’m too tired to come.’ I would never say that to someone. . . . So there’s a sense of professionalism involved.”

As a result, Ashley must weigh the obligations of her full-time job with the requirements of her part-time work. “If I know that I’m staying God-knows-how-many hours in the store, I’ll make sure I take off that day so I can relax. But if it doesn’t happen that way, I would come home, sleep for two or three hours, wake up, and get myself ready to go to the client’s house,” she said. “There have been a lot of instances where I would get three clients within a day, and each one booked, from eight o’clock to twelve o’clock, twelve o’clock to four o’clock, and four o’clock to eight o’clock. Some of them do take the entire three, four, hours. Some of them only take an hour. It

creates a lot of gaps in between, but it helps also for traveling, too, if I have to travel from place to place.” The time spent traveling is unpaid however, so although she may be working up to a dozen hours, Ashley is paid for only a fraction of her time.

“At first, it was fun getting job after job after job after job. And it’s like, ‘Oh, I’m on a roll!’ But now I’m burning out, balancing that tightrope, that juggling act of trying to benefit myself in some way. But then I realized the exhaustion level started taking a toll on me. So now I have to start creating a balance. ‘Okay, if I start getting tired, I need to take a week off from TaskRabbit,’” she said. “There are just some days when I’m like, ‘I need to be away from everybody and everything and lie down, because I’m not going to be helping my main job or my side job if I’m not focused. And I won’t be helping either of them if I, God forbid, do something to myself because I’m not fully awake.’”

Ashley and Amy illustrate the precarious nature of work in the gig economy, even for the college-educated middle class. The gig economy promises flexibility and more free time, yet workers are increasingly tethered to work because of the on-demand nature of the work. The work is seemingly flexible, but it doesn’t end. And while the workers are “self-employed” contractors and don’t answer to bosses, they remain under constant observation through a technological panopticon. But unlike Bentham’s original prison model, where prisoners cannot see the watchers and never know when they are being watched, in the gig economy everything can be collected and viewed at any point. Chat logs in TaskRabbit, emails in Airbnb, travel locations for Uber—all of this is collected and can be viewed by the platform administrators.

There’s also a bigger social and economic issue at play here. In February 2005, President George W. Bush, after meeting with a divorced mother of three who worked three jobs, was ridiculed for describing her workload as “fantastic” and “uniquely American.” The general consensus, at the time, was that having to work multiple jobs in order to support oneself might be uniquely American, given our lack of a social safety net, but it was hardly to be applauded.

Why have we gone from questioning why anyone should have to work multiple jobs to accepting and embracing this as our new reality? Why do workers feel the need to forgo their leisure time? Why are PhDs running

errands for twenty dollars an hour, and why are former finance professionals cleaning houses?<sup>22</sup> Why is driving part-time for Uber or renting a spare room on Airbnb seen as a postrecession solution to stagnating wages and the lack of job security? Why are workers who spend their “free” time on a technologically enabled second or third job, on a platform controlled by other people, hailed as entrepreneurs?

Americans already work a lot. Although direct comparisons can be difficult to make owing to data gaps and different data collection methods, American work weeks are longer than in most industrialized countries.<sup>23</sup> Even though the United States doesn’t require paid time off, and many workers don’t receive paid vacation time, research suggests that Americans neglect to take what time they do receive: on average in 2013, employees with paid time off neglected to use 3.2 days of paid time off.<sup>24</sup> The problem seems to be growing. In *The Overworked American*, Juliet Schor concluded that in 1990, Americans worked an average of nearly one month more per year than in 1970.<sup>25</sup> American women who work outside the home already contend with the “second shift,” the additional hours of housekeeping and childcare that occur on weekends and in the evenings after daytime employment.<sup>26</sup> Men have also been increasing their levels of household work and childcare involvement, although their baseline is much lower.<sup>27</sup>

People are not robots. Every additional hour of work must come from somewhere, leading to either reduced sleep, limited leisure, or split-attention parenting. In 2003, Robert Putnam raised an alarm, telling us that Americans were no longer “bowling together” in leagues or participating in high numbers in the types of voluntary organizations that Alexis de Tocqueville first identified as a uniquely American phenomenon. Instead, they were spending more and more time camped out in front of the television, decompressing from an ever-increasing workday.

The sharing economy promises to bring people together, but instead it may further decrease American leisure time by providing workers with the opportunity to work more. Instead of simply reporting for a several-hour shift, workers may find themselves picking up tasks or gigs here and there, the flexibility of scheduling inadvertently increasing their workload by more than they intended. Or the proliferation of outsourcing—of hiring others to do everything from walking dogs to cleaning homes to grocery



shopping and chauffeuring—may further increase the “commodification of intimate life” and lead to additional pressure to make enough to pay for market services.<sup>28</sup>


Hiring workers off of platforms risks creating platform monopolies. As noted by Andrew McAfee and Erik Brynjolfsson, when more and more people use a platform or tool, a “network effect” arises, which is economist speak for the idea that certain goods become more valuable as more and more people use them. The most frequently given example is that of a fax machine. If only one person has a fax machine, it’s not very useful. But as more and more people get fax machines, the tools become increasingly useful. One tool gives you access to many people. Eventually the tools are so prevalent that even spammers use them for sending scam offers. The fax machine is also an apropos example because most people no longer have, or use, fax machines. That doesn’t seem like an issue unless you’re invested in a fax machine company or are wedded to your fax, for whatever reason. When other people stop using faxes, your fax machine stops being useful.

McAfee and Brynjolfsson note that “economics of network effects are central to understanding business success in the digital world,” and they use the example of WhatsApp to illustrate network effects. They explain that as WhatsApp became more popular, users of regular text messages (SMS) felt left out and increasingly turned to the app: “As more and more of them did this, the network effects grew stronger. Computer pioneer Mitch Kapor observed that ‘architecture is politics.’ With platforms, it’s also economics.”<sup>29</sup>

But the idea that, for platforms, architecture can be economics might not be a good thing. As these platforms grow in size and become the “go-to spot” for everything from furniture assembly to taxis to hotel rooms, we run the risk of creating monopolies. When TaskRabbit, as part of its first pivot, transitioned into an app-based service (as opposed to remaining accessible via the website), workers who didn’t have smartphones with generous data plans found themselves at a serious disadvantage. Continuing the fax machine analogy, these workers had fax machines but everyone else was using email.

For Strugglers, the sharing economy is an occupation of last resort. What happens to those workers if their work of last resort requires a thirty-dollar phone activation first? Do we want to live in a world where



*Figure 1.* Union Square Park in New York City, October 2017. The young man's sign reads, "Hired with courier co, UberEats. Can show proof. Unable to start my job without an operating phone cause I have to work **OFF AN APP**. Trying to raise \$30 to pay 4 activating my phone. Willing to work 4 it." Photo by author. 

work becomes a luxury good, available only to those who can pay a marketplace entry fee or meet platform requirements? As fig. 1 shows, such a possibility has already become a reality for some workers.

#### SUCCESS STORIES STILL FACE INCREASED RISK

Workers who make a comfortable living in the sharing economy—the Success Stories—are a far cry from the unemployed young man panhandling for phone activation funds. But even Success Stories face the implications of platform monopolies and an outsourcing of risk.

Ryan, a twenty-seven-year-old white man, is a successful entrepreneur by any account. The owner of several laundromats in New York City—where most residents don't own washer-dryers—Ryan has a high-demand business. Having previously lived in the suburbs, Ryan had one requirement when he wanted to move to New York City after college: his apartment had to be nice. So he and his business partner became roommates and rented a three-bedroom apartment for six thousand dollars a month. “We rented out one of the bedrooms, and that’s how it all started, actually,” he said, describing his entrée to Airbnb. “We ended up making about four thousand dollars a month from it, from one bedroom.”

Impressed by the income possibilities, Ryan and his partner soon expanded their Airbnb offerings and now rent six apartments throughout New York City that they use exclusively for Airbnb hosting. Ryan’s schedule is generally open except when he gets a new apartment, then it’s “crunch time.” His goal is to have that apartment up and functioning as an Airbnb rental within a week. “It’s my whole day. Once I get into the apartment, I become very busy. We’re in New York City, with a lot of contractors that can come and mount TVs, mount shelves, and make it the best. And they put together couches and furniture if you need it. So we get it going pretty quick. What we usually do is to get the apartment, and about five days later we’ll schedule a photographer; so we know that we have five days to get everything in there. Every day it’s not on Airbnb, you are losing money.”

And the money that can be made is significant. Ryan tries to charge at least \$300 a night per property, with two-bedroom apartments renting for \$300 to \$400 a night, and three bedrooms billed at \$450 to \$650 a night. According to the website RentCafe, in 2018 a Manhattan one-bedroom apartment rents, on average, for \$3,757 a month; the average rent for a two-bedroom apartment is \$5,474.<sup>30</sup>

Ryan is a successful Airbnb entrepreneur. And yet, he questions the promise that such entrepreneurship is readily available. First there’s the barrier to entry. Ryan knows that it takes a certain level of financial capital to take advantage of the arbitrage between the annual cost of an apartment and the price he can charge nightly on a short-term rental. “I mean, I guess not everyone can do it,” he said. “I spent the money to start these apartments up, and every apartment is twenty to thirty thousand

dollars. . . . First month [rent], last month, security deposit, and sometimes a broker's fee, furnishing the whole thing."

It's a big investment and one that could easily disappear. To start with, there's the question of legality. Using an apartment for short-term rentals of less than thirty days has been illegal since 2010, and fines from the city start at twenty-five hundred dollars per day. And Airbnb has cracked down on commercial users in the past, removing them from the platform. If Ryan were prevented from hosting, he would still be responsible for paying more than twenty thousand dollars in monthly rent for the six apartments. There are other short-term rental sites, like HomeAway, but guest reviews don't transfer between sites, and Airbnb tends to dominate the New York market. Ryan has a fairly precarious business model.

As a result, Ryan and his partner utilize strategies designed to skirt detection by their landlord and the city. They've divided their listings between their two profiles. And they are particular about the properties they rent, preferring apartments that don't have on-site superintendents or doormen, and that feature easily replicable front-door keys as opposed to magnetic fobs. "I actually have one building on the Lower East Side where the whole building is mine," he said. "There is a restaurant on the first floor. Another restaurant on the next floor, then an apartment and another apartment. I have both apartments, so that one is a completely secure building. That's kind of what I look for."

Keeping his investment "secure" also means allaying his landlord's suspicions. Instead of calling building staff, Ryan tries to do his own repair work. "My apartments are pretty much booked, so I don't want to ever involve my building [staff]. Unless it's a problem where I need—like if it's five-thousand-dollar problem, I will have [them] take care of that," he said. "If it's a pipe, and it costs me a few hundred bucks, I'll take care of it just because I don't want building [staff] to come in and, you know, whatever. I'm very cautious, basically."

But even beyond the legal and business concerns, Ryan remains ambivalent about his business. He'd like to see the city tax or regulate Airbnb and thereby reduce some of the uncertainty. But this would also reduce his profits.

Perhaps most surprisingly, Ryan—a thriving entrepreneur in the sharing economy—doesn't feel entirely comfortable telling people about what

he does for a living. He prefers instead to “keep to myself.” He’s a success story who has a hard time telling the story of his success.

#### RESEARCHING THE SHARING ECONOMY

My research is based on nearly eighty ethnographic interviews with workers for Airbnb, Uber, TaskRabbit, and Kitchensurfing. When I discuss my gig economy research, I often hear a response that sounds like this: “I love Uber/Airbnb/TaskRabbit! I spoke to my driver/host on the way here/when I was staying in exotic city, and they told me that the platform changed their life! Now they get to be their own boss and aren’t stuck in an office and life is fantastic!” These days, my response is equally canned: “That’s great! You may have found a really happy worker. But when your boss asks if you like your job, what do you say?”

The sharing economy markets itself as offering a peer-to-peer connection, but that message ignores a larger reality: when you get in an Uber or hire a TaskRabbit, you become the boss, at least temporarily. You are paying them, albeit through an app that will first take a cut. You are ranking and rating their performance. Your perception and rating of their demeanor or skills may affect their ranking in the app’s algorithms and their ability to find and be hired for work. With that type of power, it’s unlikely that workers will be entirely honest about what their experience is like. Most of us have also been cautioned not to complain about our last boss to a current or prospective employer—another strong deterrent to an honest conversation.

In many apps, such as Airbnb and Uber, the worker can also provide a rating for the employer. But as I discuss in later chapters, workers—who are intimately familiar with the often-damaging implications of a four-out-of-five rating as opposed to a five-out-of-five—rarely give low scores. Additionally, as service providers, although they may prefer to not work with an employer with a low score, there will always be someone who needs the income enough to risk it. A low rating has a much bigger effect on a worker than an employer.

Although I approached interviews with some general questions (available in the appendix), the interviews were participant driven and averaged

two hours, with some exceeding three hours. For most workers, the interview was the second, third, or even fifth time that I had seen them. Instead of creating the power imbalance usually found in the worker-employer interaction, I made it clear that I was relying on them as experts; interviews were often done over lunch or at cafes where I provided snacks. Even with my attempts to build rapport, many of the stories presented in these pages didn't come up until well into the interview. These are not the stories that workers bring up in a fifteen- or twenty-minute interaction.

While I used a survey to obtain basic demographic information, qualitative interviews allow for more detail. Interviews allow for follow-up questions and clarifications, such as asking why something happened or how it made someone feel. And the participant-driven model enabled respondents to branch off into tangential stories that often became theoretically rich data. It was these tangents that first brought the issues of sexual harassment (chapter 5) and crime (chapter 6) to my attention.

#### PLAN FOR THE BOOK

In chapter 2, I provide a background on the sharing economy and an overview of the four platforms I studied: Airbnb, Uber, TaskRabbit, and Kitchensurfing. I discuss participant recruitment and worker demographics in more detail and frame my research within the larger literature available to date on the sharing economy.

In chapters 3 and 4, I address the lived experience of the workers and the dangers that result from the gig economy's shifting of risk and liability as part of a larger casualization of labor.<sup>31</sup> I focus on the past by describing how the gig economy resembles the industrial age, in which workers worked long hours in a piecemeal system, workplace safety was nonexistent, and there were few options for redress for injustices. I outline how the gig economy's lack of responsibility for workers results in an effective destruction of Occupational Safety and Health Administration protections and worker's compensation as workers clean ponds and remove construction dust with their bare hands, get bitten by dogs, and experience on-the-job injuries for which they have no financial recourse.

Although the workplace protections dealing with safety and the right to unionize date back to the early industrial age and the beginning of the 1900s, American protections against sexual harassment are a direct outcropping of second-wave feminism and the current #MeToo movement. Yet even the latest workplace policies are no match for the sharing economy's bulldozing of workplace protections. Chapter 5 examines sexual harassment in the sharing economy and how the egalitarianism of peer-to-peer employment results in the loss of political language as workers "explain away" sexual harassment.

In chapter 6, I explore the shady underbelly of the sharing economy through stories of workers who find themselves engaging in illegal or at least legally questionable activities as part of their sharing economy work. I argue that the anonymity of the sharing economy can make it easier to source otherwise law-abiding workers for drug deliveries and can lead to unsuspecting workers involved in various scams. In many ways, the gig economy creates a new future for criminal activity even as it rolls back worker protections.

Finally, in chapter 7, I discuss gig economy workers whose higher skills and capital give them many more choices in the sharing economy: successful Airbnb hosts and Kitchensurfing chefs. I found that workers on these two platforms were much more likely to view themselves as entrepreneurs and to take advantage of the outsourcing opportunities of the gig economy to hire others. By juxtaposing the stories of those who are thriving with those who are barely surviving, I highlight the role of capital and skills in the gig economy.

My concluding chapter provides interviews with the leaders of services who are working to change the sharing economy status quo by paying their workers a living wage and providing benefits and workplace protections. I also provide policy recommendations on how to best address the differing challenges experienced by Strugglers, Strivers, and Success Stories.

In the debate between capitalism and community, the experience of gig workers often gets lost along the way. Workers' stories suggest that while the sharing economy offers a select few an opportunity to manage a small business, the experiences of many others are decidedly less pleasant. In many ways, the sharing economy is the millennial's version of the minimum-wage,

precarious work that Barbara Ehrenreich detailed in *Nickel and Dimed: On (Not) Getting By in America*.<sup>32</sup> Workers are underpaid, they're subject to capricious policies, and ultimately, they are expendable. Studying the experiences of workers in the sharing economy—and the different challenges encountered by Strugglers, Strivers, and Success Stories—can provide a better understanding of the costs, benefits, and societal impact of this new economic movement and help us create a new narrative rather than an equally exploitative sequel.