

The Social Factors of the Income Gap of Digital Labour under the Transformation of Platform Capitalism

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Abstract: With the rapid development of digital technology, people are creating digital products, which has led to a digital transformation of the form of labor. The resulting platform capitalism is an economic form that will dominate society in the future, and the amount of digital labor it involves is only increasing. Based on existing literature and data, this paper discusses three separate issues affecting the income gap of digital labor by targeting audiences, social media, and advertisers. It is found that the pay of the audience as digital labor is limited by the degree of exploitation by advertisers and the extent of their use of social media. First, platform capitalism sustains the commodification of user behavior, resulting in a cashable act of digital labor. Second, big data exposes audiences to dilemmas of justice, and the exploitation of platform capitalism impacts the fairness of digital labor. Third, mediatization also impacts the income gap in digital labor, with less visible mediums earning less than more visible ones

Keywords: platform capitalism, digital labor, income gap, social media, advertisers

1. Introduction

The Internet age has become an old label, and platform capitalism is moving towards dominance. It has transcended national boundaries and broken the institutional framework, creating a new value system and economic laws through digital labor introduced by technological support [1]. However, with the transformation of platform capitalism, the gap in income levels of digital labor continues to widen, and more high-income digital labor has emerged. It is undeniable that the exploration of this phenomenon is in line with social progress, and the digital economy behind digital labor has research value for the future transformation of platform capitalism.

Platform capitalism, supported by digital platforms and digital technologies, is a form of economy at the forefront of future society, and its most obvious value is the sharing function [2]. For example, capitalism re-generates the benefits of partial use of the platform in the form of concessions [3]. Therefore, this category of scholars considers platform capitalism to be a sharing economy or information community. In contrast, Srnicek considers platform capitalism a product of data capital, which allows for a kind of standardisation of labour practices [4]. For example, platforms generate large amounts of raw data to be analysed, categorised, and transformed. The argument that gives this value is attributed to the implicit exploitation of platform capitalism, which is a central social factor contributing to the digital labour income gap. The article discusses the digital labour income gap from

three perspectives: advertisers, audiences, and social media, by reviewing relevant materials and combining the research of various scholars.

2. Literature Review

The historical trajectory of platform capitalism has been largely informed by Marx's *Das Kapital*, which has never been able to jump through the hoops of digital technology prosperity. The labor force that causes the capital market to be served by digital technology is also known as digital labor. It, like the real economy, produces income disparities consistent with basic Marxist doctrine. However, after the concept of digital labor was introduced by the Italian scholar Terranova, the question of labor in the digital economy has become less susceptible to the familiar logic of capitalist exploitation [5]. As a result, scholars in various countries have also discussed income inequality as a digital phenomenon, with a view to arriving at the causes affecting the digital labor income gap.

Tewathia argues that a prominent factor in social income inequality is the role of the digital divide [6]. It is difficult for the working class to address the negative effects of social role labels as they enter the digital labor market and are thus marginalised in digital society. For example, the caste system in India is difficult to break down. However, not all digital labor creates income disparity. For example, Wang Jing's research shows that digitalization can curb the trend of income inequality [7]. In addition to ethnic markers, gender and educational attainment also affect income gaps. In Santiago's study, disparities in education and spatial flexibility are considered potential influencing factors. For example, using differential overqualification theory to observe the spatial distance of women's job searches, it was found that this group preferred to work from home, saving on transportation costs and increasing earnings [8]. Further, Lu Jing's research found that the digital economy has significantly boosted female employment, completely breaking the limitations of women in the labor market [9].

However, the aforementioned scholars' studies only detail income gaps and social inequalities in digital labor from a single aspect, such as racial labelling, educational attainment, and gender. This does not provide an overall picture of where digital labor fits into platform capitalism. Meanwhile, Srnicek argues that digital labor is a complex socio-economic phenomenon involving audiences, social media, and advertisers, and that competition between the three leads to a significant income gap in digital labor [10]. Smythe argues that the most central aspect of this competition is the audience, as the audience is in the middle of social media and advertisers, and the resulting digital labor is also called audience labor [11]. It is from Srnicek's theory that this paper draws its inspiration, taking a holistic view of the factors that contribute to the digital labor income gap.

3. The Essence of Digital Labor Exploitation by Platform Capital

The technological explosion triggered by the rapid growth of the Internet, which led to storage devices becoming cheap and high-capacity, has profoundly revealed the social transformations based on information technology and big data, which are reflected in the forms of organization, forms of labor, and ways in which value is created in society [12]. Further, the digital platforms derived from technology have similarly influenced the ways in which capital is exploited. Harvey argues that the digital ways in which platforms have been created have not only reshaped virtually all aspects of individual existence, but have also reconfigured the relationship between capital and labor [13].

In addition to continuing to absorb labor from the sphere of production, capital platforms have even extended the tools of exploitation into the public sphere [14]. Because it is only in the digital world that one can see the behavior of such massive user usage in the public domain. These behaviors gradually evolve from user habits into a business model that is a highly efficient means of unearthing the hidden depths of routine. For example, some users post life photos or upload entertainment videos

on social platforms to show themselves, and other users like or comment on these photos and videos after seeing them. Capital platforms provide more permissions to users with a high level of attention while accomplishing revenue, such as swiping gifts.

Despite the fact that digitalization exists on a virtual platform, it has not been able to escape the trap of capitalist exploitation. Thomas Koulopoulos, a mainstream scholar who holds this view, has a clearer reading of the digitization of capital. He argues that digital behaviours, including digital labour, are digitised commodities, not valueless objects, and that capitalization can be accomplished by using machine algorithms to aggregate the experience of commodities [15]. For example, which users frequently browse web pages, which web pages are more popular among users, and which time periods are most popular for users to access the Internet? In addition, digital labour is a new form of global currency [16]. Platforms sell information (user data) aggregated from digital goods based on algorithms to advertisers, who find eligible users through precise targeting. In this way, the data filtered by algorithms can be turned into cash, and part of this cash is revenue from digital labour.

Since the user's behavior is under the management of the platform's capital, digital behavior is a new form of capital exploitation. It uses algorithms to hack into the user's network, enabling the user to datamaterialize and commodify private space without even noticing. This process makes it easy to identify more valuable users and make their digital labor more exploitable, which will earn far more than the neglected users. In essence, the workings of capitalism (also known as the invisible hand) continue to widen the income gap for digital labor.

4. The Dilemma of Justice Facing Digital Labor

In the process of capital exploitation, there exists a mechanism of platform capitalism that can sway justice, and it carries out disguised forced deprivation of digital labour, so that digital labour faces the dilemma of justice. The justice dilemma of digital labor is the conflict between the purpose and reality of the labor force demonstrated by digital technology in the context of the big data era [17]. By transforming the efficient digital products packaged by digital technology into big data justice, as well as the logic of capital disguised as the demand for justice, the labour force is forced to integrate into the proliferating flood of digital labor. The justice displayed by big data has been exposed as somewhat false. The alliance between data technology and capital has given rise to a new structured superpower. It hides the exploitation of labor by capital, and new forms of class conflict and inequality become an illusion of equal power over digital possession, with the reality being that the data controllers have the upper hand and the data subjects have nothing. This is because only data controllers have the ability to produce and utilise collections of data.

Accordingly, the majority of digital users have been normalized as unpaid laborers, and their online recreational time has become labor time for platform capitalism. This labor completely disrupts traditional perceptions and puts digital users in a situation of excessive income disparity. Krishna argues that it is the historical isomorphism between the expansion of the capitalist mode of production and the diffusion of technological progress that has led to the emergence of this gap, that is, the opposition between labor justice and capital justice as well as the conflict between labor justice and economic justice [18]. Thus, the autonomy embodied in the process of technological progress is often based on people's mastery of scientific and technological knowledge and its use for the purpose of transforming nature, and the coercive power of capital's rationality is more advantageous in the choice of technological progress.

However, this force drives the justice dilemma. From the standpoint of labor justice, capitalism and digital labor pivot to satisfy their respective needs for utility value through the exchange of commodities, but their fundamental purpose is to capture surplus value for the unlimited multiplication of capital [19]. Technological progress governs the choice of the digital labor process, but the intention of this domination is specific in that it exists only in the technologically-activated

labor process, and once the technological labor process is complete, the intention of technological domination itself ceases to exist, resulting in the drawback that labor justice cannot be realized. The root of this stems from the fact that digital labor does not go beyond the classical theory of labor value, which results in digital labor receiving different incomes for different choices.

5. The Media Response to the Impact of Global Public Emergencies

The third social factor affecting digital labor income is the role of the media in global public emergencies. Since platform capitalism is almost globally spread, it should be realized that the media deals with global emergent public events rather than a single localized event. For example, COVID-19, a typical global crisis in recent years, was a catastrophic global breaking public event. Emergencies such as this one, which can cause significant casualties, property damage, and ecological destruction, are the fastest spreading in the media and have the most impact on digital labor income [20]. For example, internet celebrities who have risen to fame on social media, or, influential public figures are more attractive when they repost stories related to viruses. It is worth noting that the average blogger on social media is exactly the most typical emerging labor group in the age of pandemics [21]. This is due to the expansion of social media in the Internet age, which has reconfigured people's information sharing patterns and broken down the government's unified voice channels.

In contrast, social media platforms that are less visible are unable to attract high-quality digital labor to their platforms, making it difficult to acquire large amounts of user data. Thus, digital labor active on such platforms tends to earn less than digital labor on common social media. The main reason for this is that the media is supposed to be connected to global emergencies, and it also exists to report, present, and publicise material of human interest. In a word, there is a mediatization of the media. The media, pulled by technology, generates action and execution through global communication, which in turn reinforces the media's communication. Krotz, a German scholar, even categorises mediatization as a meta-process of human society, along with globalisation, commercialization, and individualization, to emphasise the profound changes that media have made in the development and change of society [22]. For instance, the media accurately reflect global warnings, enabling the public to detect threats in advance and take timely measures, including the sale of life supplies, survival guides, and effective medicines. Digital labour that is able to efficiently utilise these mediums of information is certainly ahead of the digital market.

On the other hand, each crisis reporting activity by the media may be followed by reforms and leaps in the news media's response capacity and technological tools. After an emergency, people's lifestyles and ways of thinking are bound to change, and they are psychologically pressurized, very sensitive to all kinds of information, and, concerned about the news from the scene. The digital labor that rushed to the scene played a prominent role with intuitive visual impact (technical means such as high-definition cameras), infectious sound, and strong appeal. The income generated by this bill undoubtedly far exceeds that of digital labor without these advantages.

6. Discussion

This paper discusses the influences affecting the digital labor income gap through three modules. The audience is oriented towards both ends of the spectrum: platform capitalism at one end and users at the other. Social media and advertisers tend to have more power than the audience, which, combined with the sheer size of the audience, has energized platform capitalism. Overall, the income from digital labor stems from platform capitalism and, at the same time, is limited by it. However, due to the inherent limitations of platform capitalism itself, the masking of the exploitative nature has

impacted part of the digital labor, gradually creating an overly obvious income gap for digital labor. Therefore, the article puts forward several suggestions that are expected to bridge this income gap.

Firstly, improve the existing unreasonable system. The current mode of employment breaks through the traditional employment relationship, and it is difficult to use the traditional legal system to form protection for digital labor, so we can try to clarify the labor relationship. When carrying out digital labor with a clear purpose, for example, online recruitment, a certain amount of network traffic costs can be paid. Secondly, restrain digital power and strengthen the algorithmic governance of digital platforms. At the same time, an effective algorithm review mechanism should be established, and regulators should set up a special review body to monitor illegal digital labor to protect the legitimate rights and interests of digital labor, and also to avoid collusion between platforms by adopting similar algorithms. Thirdly, explore cooperative platform organizations led by state-owned capital. Over-control and over-exploitation are inherent flaws that cannot be eliminated in non-state capital-dominated platforms. In particular, when the entire platform economic system connects countless modern small producers and workers through the Internet, the digital economy transforms the platform into a production organization that maximizes profits from the surplus labour of informal wage earners, which will greatly affect the distributional order of the real economy.

7. Conclusion

The transformation of platform capitalism is an irreversible process, and digital labor will inevitably and gradually generate excessive income disparities under the operation of platforms. The audience, as users and digital labor can neither master the discourse of platform capitalism nor get rid of the exploitation of advertisers. However, it can be expected to play a positive role in the process of mediatization through the development of data technology and become an efficient tool for the benefit of the people. Labor, as a human activity, is necessarily compatible with the development of human beings and human society. The development of digital technologies centered on intelligent algorithms, the Internet of Things, and big data technologies is reshaping the way human labor is performed, and the digital economy is changing human labor products, processes, and incomes through digital industrialization, data valorization, and digital governance. How to articulate the income gap of digital labor in the historical process of human labor development still needs to be continuously explored. Finally, this paper also has obvious limitations in discussing examples of income disparity in digital labor due to the length of the paper. In the direction of future research, more emphasis should be placed on more real cases to support the argument.

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