

Networked labour, neoliberal visions: Digital work and the case of Amazon

Abstract

In this paper I seek to provide an overview of the regimes of work that underpin the business strategies of online retailer Amazon.com. My argument is that the implementation of work practices involving high levels of surveillance, flexibility, and co-production, as can be found across the spectrum of Amazon's operations, signal the emergence of a new type of corporation founded at the outset in radical approaches to the management and exploitation of labour made possible by digital networks. Such innovations can, in turn, be understood in the context of an ongoing response by corporations to the crisis of Fordist production that has unfolded since the 1960s, and the subsequent pioneering of new modes of worker flexibility that, as many commentators have noted, has reached an apotheosis in the labour management practices of tech firms. My approach is twofold. First, I examine how Amazon uses amateur labour to provide content for its array of digital platforms. Second, I examine the labour practices used by Amazon to manage its paid employees. Such practices, I argue, can be understood as a manifestation of form of late capitalism that is mobilised by and draws on neoliberal free market ideology lately re-energised by the possibilities of networked digital cultures.

(205 words)

Keywords: Work; labour; digital economy; network cultures; neoliberalism

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Work has increasingly become a focus of enquiry for theorists of digital media. The pioneering of new modes of worker flexibility by tech firms (Ross 2004), the emergence of new forms of user co-production whereby online corporations increasingly rely on unpaid user labour to provide content and create value (Mejias 2013; Prahalad and Ramaswamy 2004; Terranova 2000, 2004), and the increased use of digital surveillance techniques by tech companies to monitor online users and employees (Andrejevic 2007; Bauman and Lyon 2013), have attracted critical attention as part of an expanding account of how new modes of labour flexibility operate in the realm of digital media.

In this paper I seek to provide an overview of the regimes of work that underpin the business strategies of online retailer Amazon.com. My argument is that the implementation of work practices involving high levels of surveillance, flexibility, and co-production, as can be found across the spectrum of Amazon's operations, signal the emergence of a new type of corporation founded at the outset in radical approaches to the management and exploitation of labour made possible by digital networks. Such

innovations can, in turn, be understood in the context of an ongoing response by corporations to the crisis of Fordist production that has unfolded since the 1960s.

My approach is twofold. First, I examine how Amazon uses amateur labour to provide content for its array of digital platforms, such as its online bookstore, wholly owned social media sites such as Goodreads.com, and projects such as its Kindle Direct publishing program. Second, I examine the labour practices used by Amazon to manage its paid employees. Such practices, I argue, can be understood as a manifestation of a form of late capitalism that is mobilised by and draws on neoliberal free market ideology lately re-energised by the possibilities of networked digital cultures.

Work in the digital economy

A growing body of scholarship has focused on how the emergence of digital technologies has facilitated new modes of work, placing its emphasis on co-creative labour, which John Banks & Mark Deuze have described as ‘the phenomenon of consumers increasingly participating in the process of making and circulating media content and experiences.’ (2009: 419) Media companies increasingly understand the pursuit of audience, fan and customer ‘engagement and participation’ as ‘drivers of wealth production within the new digital economy’ (Green and Jenkins 2009: 213). Such practices constitute a form of outsourcing that extracts surplus value from the unpaid labour of user co-creators, and that at the same time potentially undermines the labour

value of professional producers (Terranova 2000, 2004; Ross 2009). As Banks and Deuze argue, this isn't necessarily an exploitative process for users since much depends on the notion of agency attributed to participants, who can be understood as often knowing and willing partners in corporate co-production strategies. Yet through such practices leisure itself, irrespective of the motivations of its participants, is increasingly drawn into the privatised circuits of capital. As Ulises Ali Mejias argues:

Labor is no longer conducted at the workplace in exchange for a wage. Rather, it is produced mostly outside the workplace, during our 'free' time. It is rewarded not with a paycheck but with social capital such as attention, rank and visibility. . . . under the pretense of creating communal gift economies in cyberspace, social beings are put to work for corporations (2013: 26).

These accounts connect to a broader theorisation of the changing nature of work in the wake of the post-1960s crisis of Fordism (Bauman 2000, 2005; Beck 2000; Harvey 1989; Ross 2004, 2009; Sennett 1999, 2006). A key term in such accounts is 'flexibility'. David Harvey has outlined how the crisis of Fordism arose from an excessive 'rigidity' that required the imposition of new regimes of flexibility in labour pricing and processes (1989: 142). Richard Sennett similarly outlines how networked communications has played a role in the development of the fluidly adaptable network organisation (1999: 23), where work is often outsourced to spatially distant workers, where timespans for the completion of tasks as well as the duration of worker tenure, are

radically compressed through contract and short-term, casualised hiring practices.

Similarly, Andrew Ross has described 'the steady advance of contingency' that has impacted on workers in a range of different global locations, from western cultural workers to Chinese sweatshop workers, and increasingly the encroachment of new regimes of flexibility into formerly secure middle-class professions (1999). As Ross points out, many of these innovations have been driven by pressures from below as well as from above, via employee demands for emancipation from the repetitive, deadening routines of Fordist production as part of a 'revolt against work' that gathered pace in the 1970s. (1999: 5) Yet, as he also argues, such impulses for freedom from the alienation of work have been perverted by subsequent corporate strategies for increased worker flexibility.

The emergence of new forms of digital work has increased opportunities for what Zygmunt Bauman has described as the 'liquefaction' of work and normalisation of regimes of 'universal flexibility' and precariousness (2000: 135). Ross's account of worker experiences in two 'no collar' tech firms situated in New York's Silicon Alley (2004) shows how new regimes of flexibility and freedom are operative in the digital economy, and are often prized by workers even as extremely long working hours are normalised, and despite minimal job security and opportunities for advancement, and dissolved boundaries between work and private leisure. As Terranova argues, referring to the free labour provided by online co-creators, the idea of the

'knowledge worker' who inhabits the virtual space of the internet needs to be problematised and recast in terms that understand immaterial labour (a term she uses following Maurizio Lazzarato) in the broader context of ongoing histories of labour exploitation, where the internet enacts neither a break with or continuation of capital, so much as 'an intensification, and therefore a mutation, of a widespread cultural and economic logic' (2000: 54), such that 'free labour is structural to the late capitalist cultural economy' (2000: 53). Of the reliance of online corporations on immaterial labour provided by users she writes:

Such a reliance, almost a dependency, is part of larger mechanisms of capitalist extraction of value which are fundamental to late capitalism as a whole. That is, such processes are not created outside capital and then reappropriated by capital, but are the results of a complex history where the relation between labor and capital is mutually constitutive, entangled and crucially forged during the crisis of Fordism. (2000: 51)

Together these accounts of new modes of flexible production speak not only to the late twentieth century crisis of Fordist production but also to the increasing policy influence of economic libertarians who, since the 1970s, have leveraged institutional and political power from that crisis and its associated economy upheaval so as to orchestrate a more conclusive realignment of the relationship between labour and capital, so as to reduce the power of the former (Harvey 1999, 2007). As a number of commentators have noted, in the late 1990s the popularisation of the internet and emergence

of the 'new economy', provided a further context for free market advocates to proselytise the opening of new arenas for 'friction-free' free-market capitalism, as part of a broader neoliberalisation and ideologically driven 'opening up' of western economies according to the principles of open markets, 'small government', deregulation, and attacks on workers rights (Fisher 2010; Frank 2002; Hassan 2008; Henwood 2004; Jarrett 2008).

Work at Amazon

Work practices at Amazon can be understood in these contexts and fall into two main categories. The first of these is work conducted online by users, much of which is performed for free. The second is paid work performed by Amazon employees.

In the first instance, users of Amazon's web-sites provide free labour in the very act of browsing Amazon web-sites, since the company tracks clickstream information that detects where the user places their cursor and what they are likely to be looking at. Should a user be browsing on Amazon's Kindle Fire, under the terms of the standard user agreement Amazon is able to harvest information from all browser activity, including information such as user profiles from Facebook. Kindle e-reader users have their reading tracked, including what books they read, what books they finish, the speed they read at, the time of day reading takes place, and so on. Similarly, reviewers of books on Amazon contribute free labour that adds value to the content in the Amazon bookstore. Users of the Amazon-owned Goodreads website similarly

provide content in the form of what Lisa Nakamura has described as affective labour:

Built on 'play labor' – the recreational activity of sharing our labor as readers, writers, and lovers of books and inviting our friends from the social graph to come, look, buy, and share – *Goodreads* efficiently captures the value of our recommendations, social ties, affective networks, and collections of friends and books (241).

Just as neoliberal work practices blur the line between work and leisure, so Amazon's strategies blur the line between unpaid and paid labour. Amazon's e-book strategy is heavily reliant on the creative labour of writers who publish books through Amazon Kindle Direct platform at prices set by the company, which has allowed Amazon to drive down average prices for e-books, putting downwards pressure on the e-book pricing strategies of other suppliers, in particular mainstream publishers. Yet despite the successes of a few prominent e-book authors, the median annual income for self published e-book authors is less than US\$5000, which is less than half the average income of traditionally published authors (Weinberg 2013).

Waged Amazon employees comprise two main groups: office and warehouse workers. Employees in Amazon offices inhabit a space that is for the most part inaccessible for researchers due to the company's famously secretive culture. Yet a number of authoritative accounts and information provided by the company and its employees through a range of secondary sources provide a basis for understanding Amazon's workplace culture. These include

journalistic accounts, first person testimonials, and interviews with present and former staff. Together these reports present a coherent picture of a highly competitive workplace where many workers enjoy working for the company because of its innovative technological approach, yet work in what one current employee describes as a 'Boot camp environment' (Glassdoor 2014). Amazon's working culture is 'notoriously confrontational'. (Stone 2013: loc 4860) Among tech firms, Amazon has a low retention rate, with an average employee tenure of one year (Stone 2013: loc 2013). Journalist Brad Stone, who was able to gain direct access to Amazon, describes how employees are subject to extreme forms of managerial surveillance. This includes a 'stack ranking' system where managers are required to regularly "'top grade" their staff along a curve and must dismiss the least effective performers. As a result of this ongoing examination, many Amazon employees live in perpetual fear.' (Stone 2013: loc 4918)

These impressions are supported by testimonials posted by past and present Amazon employees on the tech-industry employment web-site glassdoor.com. A consistent theme among the 3068 staff comments posted on the site as at June 7, 2014, is a lack of 'work life balance' (cited by 690 commenters) and the tension between the opportunities provided to 'learn' by working with 'smart people' (363 comments), and the challenges of working in a high stress, high turnover 'Churn and burn environment' (Glassdoor 2014). A consistent theme in many comments is the competitive nature of the environment where, as one employee puts it, 'constant top-

grading means you need to be absolutely engaged all of the time', and where 'your personal life will suffer from the time and attention you give to your job' (Glassdoor, 2014). Constant lifting of targets is another recurrent theme. As one software development manager says,

Amazon is built, quite deliberately, to be Darwinian. The strong survive and the weak perish (metaphorically speaking) and the 'bar' is constantly increasing. The level of performance that would have been acceptable five years ago will get you canned today. (Glassdoor, 2014)

Similar approaches prevail in Amazon warehouses, where the vast majority of company employees work, in environments that have attracted considerable media attention as highly exploitative and invasive of employee rights. In 2013 a BBC Panorama report used an undercover reporter to investigate working conditions in a UK Amazon warehouse, during which the reporter, Adam Littler, worked as a 'picker' and filmed working conditions using a hidden camera. Littler walked up to 11 miles per shift in the 800,000 square foot warehouse and had to collect an order every 33 seconds. As the report said,

A handset told him what to collect and put on his trolley. It allotted him a set number of seconds to find each product and counted down.

If he made a mistake the scanner beeped. (BBC 2013)

Littler's movements and picking rates were at the same time transmitted to his managers, who told him he faced disciplinary action if his work rate fell below a certain level. According to the company, required rates are set

'objectively', on the basis of previous staff performance. Littler's reporting is consistent with other accounts of work in Amazon warehouses. The company has a history of 'intimidating' its workers as part of what one journalist has described as an 'egregiously ruthless' workplace culture (Head 2014), and of offering what another report described as 'slave camp' working conditions (Bennett 2013). Workers have provided accounts of being forced 'to punch out before going through security checkpoints', and of being given 15 minute breaks where 'it takes 6 mins to walk to the break room from the packing side of the warehouse, that leaves you 3 total minutes to sit down.' (Nolan 2013) The centrality of metrics to the organisation of labour, according to other employees, is part of a highly competitive workplace culture where 'the management is very "dog eat dog" with people trying to out do each other in metrics, kissing ass, and trying their best to out perform all the other associates.' (Nolan 2013)

Such practices evidence the extreme versions of Taylorisation put in place by Amazon. All warehouse processes are rationalised and managed by scientific management specialists who use time and motion studies to determine the fastest way to perform all basic tasks such as the shelving, moving and packaging of goods, which are broken down into subtasks and allocated optimum completion times, measured in seconds, so as to arrive at the 'one best way' that all employees much follow (Head 2014).

Conclusion

Together these practices suggest a remarkably consistent approach to the management of labour across the spectrum of Amazon's operations, founded in strictly enforced, high-surveillance regimes of flexibility and worker precariousness. These practices accord with Sennett's summary of new regimes of work management that appeared in the wake of the crisis of Fordism:

The system of power which lurks in modern forms of flexibility consists of three elements: discontinuous reinvention of institutions; flexible specialization of production; and concentration of without centralization of power. (47)

The first refers to the protean nature of the modern organization and its susceptibility to destabilising processes of 'reengineering' and 'downsizing'; the second refers to the outsourcing and contracting of tasks to outside contractors; the third to the illusory democratisation that is the superficial veneer over modern networked workplaces, even as ultimate control is highly programmatic and centralised, implemented through processes of surveillance.

Work practices at Amazon can be understood in this light as part of an intensification of the power of capital over labour whereby workers are subject to ever tightening regimes of flexibility, insecurity, and surveillance, and ever more refined approaches to Taylorisation. This response is at the outset ideological. Amazon is a firm famously fashioned along economic

libertarian lines in the tradition of companies such as General Electric and Walmart, and as journalist Simon Head has said, expounds the 'Amazon Way' as a way forward for other businesses, a philosophy that company executives spruik at business schools (Head 2104). Central to this is the 'cult of the customer' that drives the firm. As Head writes,

Apart from the model's intensive use of IT, there is not much to distinguish its methods from those of the primitive American and European capitalism of the late nineteenth and early twentieth centuries. (Head, 2014)

Amazon, in Sennett's terms, is from the outset of its conception a flexible network-based organisation, protean, capable of easy reorganisation, and subject to built-in, ongoing processes of continuous re-engineering. Its labour force is similarly flexible, hired on short term contracts, subject to constant grade ranking and other tools of managerial flexibility, or else, as in the case of users, is providing free labour. In line with Sennett's criteria, power is highly concentrated, yet the firm presents itself as being at the centre of a 'democracy of consumption', articulated through its 'customer-centric' philosophy, which 'decentralizes' power to the client even as both customers and staff are subject to constant surveillance and evaluation.

The consistency of Amazon's approach across the range of its unpaid user labourers, its blue-collar workforce and white-collar workforce adds weight to Terranova's claim that 'it is technically impossible to separate neatly the digital economy of the Net from the larger network economy of late

capitalism'. Ultimately Amazon offers an exemplary instance of an integrated neoliberal digital-corporate model where every aspect of the company and every stage of production is oriented around driving down labour costs so as to extract the absolute maximum in surplus value from its users and workers.

(2933 words)

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