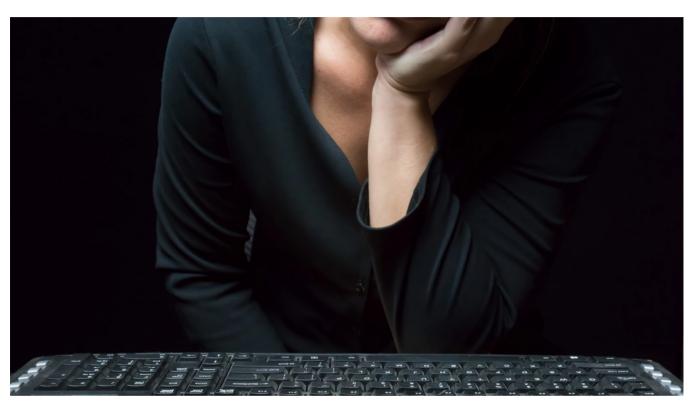
NEXT ECONOMY

The Internet Is Enabling a New Kind of Poorly Paid Hell

For some Americans, sub-minimum-wage online tasks are the only work available.

ALANA SEMUELS JANUARY 23, 2018



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Technology has helped rid the American economy of many of the routine, physical, low-paid jobs that characterized the workplace of the last century. Gone are the women who sewed garments for pennies, the men who dug canals by hand, the children who sorted through coal. Today, more and more jobs are done at a computer, designing new products or analyzing data or writing code.

But technology is also enabling a new type of terrible work, in which Americans complete mind-numbing tasks for hours on end, sometimes earning just pennies per job. And for many workers living in parts of the country where other jobs have disappeared—obviated by technology or outsourcing—this work is all that's available for people with their qualifications.

This low-paid work arrives via sites like CrowdFlower, Clickworker, Toluna, and Amazon's Mechanical Turk, to name a few. Largely unregulated, these sites allow

businesses and individuals to post short tasks and pay workers—in cash or, sometimes, gift cards—to complete them. A recent Mechanical Turk listing, for example, offered workers 80 cents to read a restaurant review and then answer a survey about their impressions of it; the time limit was 45 minutes. Another, which asked workers to fill out a 15-minute psychological questionnaire about what motivates people to do certain tasks, offered \$1, but allowed that the job could take three hours.

These are not, by and large, difficult tasks—someone with just a high-school education could complete them easily. And they may seem like one-off jobs, done for money on the side by people with a surplus of idle time. But a growing number of people are turning to platforms like Mechanical Turk for the bulk of their income, despite the fact that the work pays terribly. It's emblematic of the state of the economy in certain regions of the country that some people consider this type of work to be their only choice. A 2016 Pew Research Center <u>survey</u> found that 25 percent of workers who earned money from online job platforms like Mechanical Turk, Uber, and TaskRabbit went on these sites because there was no other available work in their area.

I talked to one such woman, a 29-year-old named Erica, who performs tasks for Mechanical Turk from her home in southern Ohio. (Erica asked to only use her first name because, she says, she read on Reddit that speaking negatively about Amazon has led to account suspensions. Amazon did not reply to a request for comment about this alleged practice.) Erica spends 30 hours a week filling out personality questionnaires, answering surveys, and performing simple tasks that ask her, for example, to press the "z" key when a blue triangle pops up on her screen. In the last month, she's made an average of \$4 to \$5 an hour, by her calculations. Some days, she'll make \$7 over the course of three to four hours.

Erica, who has a GED and an associate's degree in nursing administration, says the work for Mechanical Turk is the only option in the economically struggling town where she lives. The only other work she was able to find was a 10-hour-a-week minimum-wage job training workers at a factory how to use computers. "Here, it's kind of a dead zone. There's not much work," she told me. In the county where Erica lives, only about half of people 16 years or over are employed, compared to 58 percent for the rest of the country. One-quarter of people there earn below the poverty line.

One reason Erica, who has filled out more than 6,000 surveys on Mechanical Turk and has a high rating on the site, earns so little is that the work simply doesn't pay

very well. But there are other reasons she makes so little that have to do with the nature of the platform. On Mechanical Turk, where she spends most of her working hours, Erica looks out for "HITs," as assignments are called (for "human intelligence task"), that "requesters" are hiring for online. The tasks that pay the best and take the least time get snapped up quickly by workers, so Erica must monitor the site closely, waiting to grab them. She doesn't get paid for that time looking, or for the time she spends, say, getting a glass of water or going to the bathroom. Sometimes, she has to "return" tasks—which means sending them back to the requester, usually because the directions are unclear—after she's already spent precious time on them.

Requesters use Mechanical Turk because they can farm out menial work on the cheap and get that work done quickly—with hundreds of workers each transcribing one minute of an audio file, for example, a final product can be returned in short order. Other sites like Crowdspring, which is an online marketplace for graphic design and other creative services, and Snapwire, a photo-crowdsourcing site, allow companies to get creative work done at a low cost.

On most of these sites, requesters hold more leverage. While there are <u>forums</u> where workers advocate for being paid fairly, requesters on Mechanical Turk are free to set pay as they please—the site allows requesters to list payments as low as \$0.01, merely telling requesters to "consider how long it will take a Worker to complete each assignment." (Amazon takes a 20 percent fee on what requesters pay workers, double <u>what it charged</u> in 2015, an increase that some workers on the platform say has caused requesters to offer less money.) Requesters can then "reject" work that is submitted if it doesn't meet their standards. Workers don't get paid if their work is rejected, or if they have to return a task. Also, some Turk workers have complained of their accounts getting terminated without notice, or of preferential treatment that lets some workers get the special qualification of "Master," which allows them to get different tasks.

Sometimes, requesters will say that a task will take 20 minutes when it actually takes an hour, Erica says, but by the time she realizes that, she's devoted enough time to the task that it's worth completing. Those times, she told me, "I've felt so ripped off that I've walked away and cried."

But despite the problems with Mechanical Turk, when Erica and her partner, who works for a food company, have a big bill coming up, she'll spend extra time in front of the computer. Workers can choose to get paid every day, rather than waiting for a paycheck for two weeks. "I do it because on certain weeks, I can have

a guaranteed \$20 to send out to pay our bills—when we are completely flat-out broke until the following pay period," she told me. Recently, Erica says, Amazon's payments system has been on the fritz, though, and she hasn't been able to get the money as quickly. The inability to get that \$20 or \$30 is a big problem in her household—currently, it means she doesn't have the money to buy food to make for dinner. "I guess I'll have to improvise," she wrote to me, in an email. (Amazon did not respond to multiple requests for comment about this article.)

Erica's experience with Mechanical Turk is not an anomaly. A research paper published in December that analyzed 3.8 million tasks on Mechanical Turk, performed by 2,676 workers, found that those workers earned a median hourly wage of about \$2 an hour. Only 4 percent of workers earned more than \$7.25 an hour. Kotaro Hara, the lead author of the study and a professor at Singapore Management University, told me that workers earn so little because it's hard to secure enough tasks to be working every minute they're in front of the computer. He says workers spend a lot of time looking for tasks, waiting for the interface to load, and trying to complete poorly explained tasks before deciding to return them. (The paper did not research how many of the people it tracked depended on Mechanical Turk as their sole source of income.)

How is it legal to compensate workers so poorly? The federal minimum wage in America, after all, is \$7.25 an hour. But Erica and other crowdsourced workers do not have to receive the minimum wage because they are considered independent contractors, not employees. They are not covered by the Fair Labor Standards Act, which guarantees workers minimum wage and overtime protections, as well as a host of other benefits. Just as small-business owners are allowed to work for hours on their own and not earn any money, independent contractors like Erica can spend significant time seeking work and completing tasks, and receive very little in return for doing so.

The problem is not necessarily that requesters are underpaying for the work. The average requester pays around \$11 an hour for the work they get, according to Hara. But there are also many requesters who pay less than that, and there are many requesters who post tasks that take longer than they say to complete. Still, the root of the problem is that these platforms allow requesters to avoid paying workers for the downtime that would arise if workers did these tasks full-time.

This kind of piecemeal work is only expected to become a larger part of the economy in the coming years. Already, about 5 percent of Americans earn money by doing online tasks for a job platform, including for low-paying sites like

Mechanical Turk and higher-paying IT support sites. That's a larger share of people than the 2 percent who made money from driving through ride-sharing apps, according to that Pew Research Center survey. By 2027, nearly 1 in 3 Americans may transition to online platforms to support themselves with on-demand gig work, according to Siddharth Suri and Mary L. Gray, two researchers who have for about five years been studying the lives of people working on demand.

As fewer and fewer jobs are available to less-educated workers outside major cities, these workers may turn to online platforms to support themselves, only to find that they are facing a lot of competition from all the other workers like them. "There are more people on these platforms because there are fewer jobs elsewhere that allow people to control their time and workloads so that they can manage other constraints, like family care and other jobs," Gray told me.

Indeed, another Turk user, Valerie, who lives in California's Central Valley, told me that there are more people competing for good tasks now than there were when she started doing work on the site in 2009. "It wasn't saturated like it is now," she said. (Valerie also asked for her last name to be kept out of this story, because, like Erica, she was concerned that something might happen to her account.) The crowds are making the platform even worse for workers than it was before. To compete, Valerie keeps the site open all day, sometimes waking up at 2:00 or 3:00 in the morning, in order to grab tasks and earn enough money to keep her bills paid.

Even with all those hours, she told me, she's struggling to make \$30 a day. Valerie doesn't have a choice but to work for Mechanical Turk, she said—her car battery is dead, and even when she can turn it on, it makes strange noises. She doesn't have enough money to repair it, so she's stuck working from home. The call center she worked for full-time shut down a little over two years ago, and she said there are no other opportunities in her area.

As this type of work becomes more common, some academics have argued for a new model of labor law under which even independent contractors are entitled to some basic protections. Miriam Cherry, a law professor at Saint Louis University's School of Law who has been studying these platforms for years, argues that workers on Mechanical Turk are no different than, say, construction workers who show up at job sites and work for a day or two on a project. Those construction workers can still file a lawsuit under the Fair Labor Standards Act for wage theft, even though they are not considered employees, she said. But there has been no legal decision determining that workers on crowdsourcing platforms can do the same.

There was a <u>lawsuit</u> filed over this discrepancy in 2012 in California, with workers who had done tasks on the website Crowdflower alleging violations of the Fair Labor Standards Act. But that lawsuit was settled before any decision could emerge that might change how these sites are regulated. "The technology is out in advance of the law," Cherry said. "There's no decision telling people they can't do this, so they take advantage of that." Cherry thinks that there's a stigma towards work that takes place online—people assume that others are just doing it to earn a few extra dollars, not for a living, and so aren't as concerned with protecting those workers.

Without the labor protections available to many other workers, some workers on Mechanical Turk have banded together to look out for themselves. They've created browser plugins to filter good tasks from bad ones, and use sites like Reddit to review requesters. They started Dynamo, a platform where workers could collectively (and anonymously) come up with suggestions for how to improve Mechanical Turk.

Many of these efforts to improve workers' experiences have their limits. To sign up for Dynamo, for instance, workers had to complete a HIT and get a certain code, but Amazon closed the requester account that created those HITs, making it impossible for Dynamo to add new workers, Kristy Milland, a longtime Turk worker and the community manager of the forum TurkerNation, told me. And Erica told me that many of the plugins she had downloaded to find high-quality HITs are not compatible with a recent update Amazon made to Mechanical Turk's website, one reason she's making less money than she used to.

In the worst days of the Great Depression, when desperate workers were undercutting each other to bid for the meager work that was available, the government stepped in and created a floor for wages by passing the Fair Labor Standards Act in 1938. It required that workers be paid a minimum wage and receive overtime pay for the time they spent working over 40 hours a week. These are very different economic times, with historically low unemployment rates and jobs going unfilled. But for one segment of the labor market—less-educated workers in depressed areas—there is no economic boom. There's little chance that in today's political climate, the government will step in and protect these workers as it did in 1938. More and more workers will continue performing grueling work for pennies—much like Americans did a century ago—with no way out.

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