
The Platform Economy and Algorithmic Management

Uber vs Meituan: Same Technology, Different Politics

Where We Are

1

Weeks 3–4: Power and strategy are never neutral

Lukes showed that power shapes what we think about. Knights and Morgan showed that strategy is a form of discourse.

2

Week 6: Who benefits from how strategy is done?

Starbucks and Mixue succeeded using different logics. But both success stories had human costs the narrative hides.

3

Today: What happens when the "manager" is an algorithm?

Platforms use technology to manage millions of workers without a single human supervisor. Who controls whom, and who intervenes?

When your boss is an algorithm, does it matter who writes the rules?

Same technology. Different political systems. Different outcomes.

Today's Roadmap

1

Platform Capitalism

What platforms are and why they dominate the modern economy (Srnicek, 2017)

2

Algorithmic Management

How algorithms restrict, record, rate, and reward workers (Kellogg et al., 2020)

3

Uber: The Market Model

Algorithmic control, wage discrimination, and the slow Western regulatory response

4

Meituan 美团: The State Model

"Trapped in the system," state intervention, and forced competition (JD.com, Douyin)

5

Comparative Political Economy

Same technology, different politics: what enables different responses to platform power?

What Is a Platform?

Srnicek (2017): A platform is "digital infrastructure that enables two or more groups to interact." Platforms position themselves as intermediaries that bring together users, advertisers, service providers, producers, and even physical objects.

1

Network effects

The more users join, the more valuable the platform becomes for everyone. This creates a winner-takes-all dynamic.

2

Data extraction

Platforms collect enormous amounts of data from every interaction. Data is the raw material of platform capitalism.

3

Asset-light model

Uber owns no cars. Airbnb owns no hotels. Meituan owns no restaurants. The platform provides the algorithm; workers provide everything else.

Types of Platforms

Srnicek (2017)

Type	How it makes money	Examples
Advertising	Extract data, sell targeted ads	Google, Facebook, Baidu, Weibo
Cloud	Rent digital infrastructure	AWS, Microsoft Azure, Alibaba Cloud
Industrial	Optimise manufacturing via IoT	Siemens MindSphere, GE Predix
Product	Turn goods into services (subscription)	Spotify, Netflix, Tencent Video
Lean	Own minimal assets, outsource to workers	Uber, Deliveroo, Meituan, Airbnb

← This is where labour questions live

Lean platforms are the focus today. They generate profit by reducing ownership to a bare minimum, making workers into "independent contractors," and using algorithms to manage them at scale.

What Is Algorithmic Management?

Kellogg, Valentine and Christin (2020): Algorithmic management is "a diverse set of technological tools and techniques to remotely manage workforces, relying on data collection and surveillance of workers to enable automated or semi-automated decision-making."

What changes when the manager becomes an algorithm?

Supervisor makes a decision



Algorithm decides automatically

Worker can negotiate, explain



Worker gets a notification

Rules are visible and debatable



Rules are hidden in code

Monitoring is partial and social



Surveillance is total and continuous

Six Mechanisms of Algorithmic Control

Kellogg, Valentine and Christin (2020)

Restricting

Limiting what workers can see or do. Uber hides the destination until the ride is accepted.

Recommending

Nudging workers toward desired behaviours using gamification, badges, and "quests."

Recording

Tracking every action: GPS, speed, idle time, route deviation. Continuous digital surveillance.

Rating

Customer ratings determine access to work. A 4.6 star driver gets fewer rides than a 4.8.

Replacing

Workers below thresholds are deactivated. No hearing, no appeal. The algorithm fires you.

Rewarding

Surge pricing and bonuses incentivise specific times and locations. Workers chase the algorithm.

The "6 Rs" framework. Notice: these are the same functions a human manager performs. The difference is scale, speed, and invisibility.

QUICK POLL

Have you ever worked for an algorithm?

- ☐ Delivered food or packages using an app (Meituan, Uber Eats, Deliveroo, Ele.me)
- ☐ Drove for a ride-hailing service (Didi, Uber, Bolt)
- ☐ Completed micro-tasks online (Amazon Mechanical Turk, Prolific, Witmart/猫赛网)
- ☐ Worked a shift scheduled by an algorithm (retail, warehouse, call centre)
- ☐ Had your work rated by customers through an app

170M+

Monthly active
users worldwide

7.8M

Active drivers
and couriers

70+

Countries
of operation

\$44B

Revenue
(2024)

- Founded 2009 in San Francisco. Originally UberCab.
- Workers classified as "independent contractors," not employees. This is the central legal and political battle.
- UK Supreme Court (2021) ruled Uber drivers are "workers" entitled to minimum wage and holiday pay.
- Business model: Uber takes 25–30% commission from each fare. Drivers bear all vehicle, fuel, and insurance costs.

How Uber's Algorithm Controls Drivers

Restricting

Destination hidden until ride accepted. Drivers cannot choose profitable routes.

Rosenblat & Stark (2016)

Recommending

"You are \$12 away from your target." Gamification nudges keep drivers working longer.

Scheiber (2017), NYT

Recording

GPS tracks location, speed, acceleration, braking. The app knows if you take a break.

Wood et al. (2019)

Rating

Passengers rate 1–5 stars. Below 4.6 = fewer rides. Customers become unpaid supervisors.

Rosenblat & Stark (2016)

Replacing

Too many declined rides or low rating = deactivation. No hearing. No appeal.

Duggan et al. (2020)

Rewarding

Surge pricing: "prices are 2.5x in this area." Workers chase the algorithm's incentives.

Kellogg et al. (2020)

Rosenblat and Stark (2016): "information asymmetry" — Uber knows everything about the driver. The driver knows almost nothing about the algorithm.

The Evidence: Algorithmic Wage Discrimination

NEW RESEARCH

Worker Info Exchange + Oxford (2024)

Algorithmic audit: 1.5M trips, 258 drivers (GDPR data subject access requests)

82% of long-serving drivers earn LESS per hour after "dynamic pay"

20% → 30% Uber take rate rose from Q4 2021 to Q4 2024 (up to 50%)

£1.6B estimated lost to UK drivers in 12 months under dynamic pay

Human Rights Watch: "The Gig Trap" (2025)

Survey of 127 Texas Uber/Lyft drivers

\$5.12/hr median wage after expenses (below any US minimum wage)

65/127 "fearful" or "very fearful" of deactivation

~50% of deactivated workers were ultimately cleared of wrongdoing

The pattern: Uber's algorithm does not just manage workers. It systematically extracts more value over time. The take rate rises. Pay per trip falls. Workers who stay longest earn least per hour. HRW found facial recognition systems produce more false negatives for darker-skinned drivers, adding racial bias to economic exploitation.

Also: Kala (2025, UC Irvine) identifies this as "algorithmic wage discrimination."

The Evidence: China's Rider Data

NEW RESEARCH

Sun Ping (CASS), Longitudinal Survey (2017–2021)

Chinese Academy of Social Sciences, 8-year study of delivery riders

36% → 63% of full-time riders working
10+ hours daily (2017 to 2021)

¥5–6 per order in 2019, now
¥3.8–4.2 (below ¥3 for "free-run")

13+ hrs daily to earn ¥10,000/month
in Shenzhen (5,000+ km/month)

Guangdong Provincial Survey + Industry Data

Regional government survey of rider incomes and conditions

50% of riders earned less than
¥4,000/month (¥ = yuan)

<20% earned over ¥6,000/month
(vs Meituan's claim of ¥11,000)

69% of those earning more worked
8–12 hours daily to reach it

The parallel: Like Uber, Meituan's algorithm compresses per-order pay over time while demanding longer hours. The mechanism is the same: algorithmic extraction. But the political response is different.

Sources: Sun Ping (CASS longitudinal survey); Left Renewal/Chuang compilation (2025); Guangdong provincial survey

The Evidence: Safety and Protection

NEW RESEARCH

Safety: Traffic and Overwork Deaths

Government and media records, 2023–2024

12,000+ traffic accidents involving delivery workers recorded in 2023

3–4 hrs of sleep per night for riders who died of sudden cardiac arrest

¥40,000 compensation (£4,300) for a rider who died mid-delivery

Protection Gaps: Before State Intervention

HK Labour Rights Monitor; Meituan company data, 2023

80% of riders had no pension coverage

79% had no medical insurance at all

<1% of Meituan riders were directly employed by the platform

Only 26% of riders had any formal contract. 48% worked fewer than 30 days per year.

The CMS question: Before the state intervened, Chinese platform workers faced conditions strikingly similar to their Western counterparts: algorithmic speed-up, declining per-order pay, no social insurance, no employment relationship. The technology created the same extraction pattern regardless of political system.

Sources: HK Labour Rights Monitor (2024); China Labour Bulletin; Sixth Tone; Meituan Annual Report 2023

Two Systems, Two Responses

When the algorithm harms workers, who acts?

US / UK: The Market Model

- 2020** California Prop 22: voters approve gig worker exemption from employment law (Uber spent \$200M on campaign)
- 2021** UK Supreme Court: Uber drivers are "workers" (but only after years of individual litigation)
- 2022** EU Directive proposed but stalled; member states disagree on scope
- 2025** HRW finds median Uber wage \$5.12/hr after expenses; no new federal legislation

China: The State Model

- 2020** "困在系统里" (Trapped in the System) goes viral; public outrage forces platform response
- 2021** SAMR fines Meituan ¥3.44B (\$533M); Ministry of Human Resources issues guidelines
- 2025** JD.com enters food delivery with full social security for all riders; forces industry shift
- 2026** CPC/State Council: algorithms subject to collective bargaining; 2027 compliance deadline for 200M+ workers

DISCUSS: The algorithm is the same technology. The harm is similar. What explains the difference in response?

Uber says drivers enjoy "freedom and flexibility." The data shows the algorithm systematically pays long-serving drivers less. Freedom for whom?

What does Uber's language naturalise?

"Independent contractor," "partner," "earn on your own terms." These words make a specific employment arrangement seem natural. They hide a system where workers bear all costs, the platform takes an increasing share, and the algorithm decides who earns what.

Where is the third dimension of power?

Surge pricing shapes what drivers want to do. Gamification nudges shape how long they work. Dynamic pay means drivers do not even know what they will earn until after the trip. Lukes: the most effective power makes people want what power wants them to want.

Why has regulatory change been so slow?

The UK Supreme Court ruling (2021) took over a decade of litigation. Courts move case by case. Each country starts from zero. In the US, state legislatures are lobbied by Uber to pass laws that entrench contractor classification. The market model relies on the state NOT intervening.

VIDEO

We Investigated Uber Again. It's Worse Than Last Time

Gig economy workers around the world |



Watch for: How do platforms frame worker "freedom"? What do workers actually experience?

Uber

Levi's Cut

~~\$63~~

~~\$51~~ \$90

Same ride. **DIFFERENT FEE.**

Meituan

CASE STUDY: THE STATE MODEL

8M+

Delivery riders
across China

¥3.65→¥3

Per order pay
2023 vs 2026

¥365B

Revenue
(2025)

60M+

Orders delivered
per day

- Founded 2010 by Wang Xing. Originally a Groupon clone, now China's largest food delivery platform.
- Two tiers of riders: "dedicated" (employed by agencies) and "crowdsourced" (fully gig). Crowdsourced riders have zero protections.
- Meituan paid \$11.3B to riders in 2023, averaging ¥3.65/order (\$0.52). During the 2025 price war, subsidies pushed per-order pay to ¥8-9. After the war cooled, crowdsourced riders report ¥3-4/order (Sina Finance, 2026).
- In 2020, Renwu (人物) magazine published "Delivery Riders, Trapped in the System". It went viral and forced Meituan to respond.

“Trapped in the System”

Lai Youxuan (2020) documented how Meituan’s algorithm systematically shortened delivery times, forcing riders to break traffic laws to survive.

1

Shrinking time windows

The algorithm continuously reduced expected delivery times. A route that allowed 50 minutes in 2016 might allow 28 minutes by 2020. The algorithm assumed riders could always go faster.

2

Impossible routes

The algorithm plotted routes through buildings and across motorways. Riders ran red lights and drove on pavements because the allocated time left no other option.

3

Penalties and fines

Late deliveries triggered automatic fines deducted from pay. A late order could cost a rider more than they earned from three completed deliveries.

4

Rider deaths

Multiple riders died in traffic accidents linked to time pressure. Media documented riders collapsing from exhaustion. The algorithm does not track fatigue.

The State Responds

Unlike in the US or UK, the Chinese state did not wait for courts. It intervened directly.

2020 **"Trapped in the System" goes viral**

Renwu magazine's investigation forces Meituan to respond publicly. Meituan adds a "willing to wait 5 minutes" button.

2021 **Antitrust fine: \$533 million**

State Administration for Market Regulation fines Meituan for forcing merchants to sign exclusive "pick one from two" (二选一) contracts.

2021 **State Council gig worker guidelines**

Central government issues guidelines requiring platforms to protect gig workers' basic rights, including reasonable pay and rest.

2025 **JD.com enters food delivery**

JD.com launches food delivery with FULL social security for all riders (pension, medical, work injury, unemployment, maternity, housing fund).

2026 **CPC/State Council: algorithm regulations**

New rules: algorithms must be subject to collective bargaining. Working hour caps enforced through the app. Mandatory data rights. 2027 compliance deadline.

Five years from viral article to binding regulations. Compare to Uber: 12+ years from first case to UK Supreme Court.

JD.com Enters Food Delivery

In February 2025, JD.com launched food delivery with a promise no major platform anywhere had made: full social security for every rider.

JD.com riders (from launch)

- ✓ Pension insurance
- ✓ Medical insurance
- ✓ Work injury insurance
- ✓ Unemployment insurance
- ✓ Maternity insurance
- ✓ Housing fund

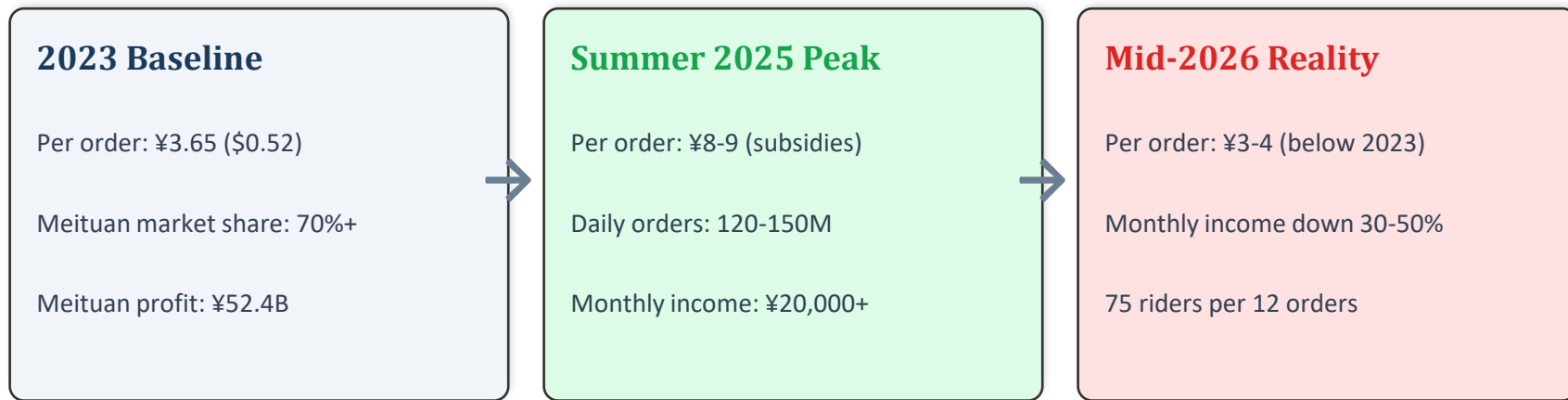
Meituan crowdsourced riders (before 2025)

- ✗ No pension
- ✗ No medical insurance
- ✗ Basic accident insurance only
- ✗ No unemployment coverage
- ✗ No maternity coverage
- ✗ No housing fund

The result: JD.com reached 10 million daily orders by April 2025. In May, regulators summoned JD.com, Meituan, and Ele.me, telling all three to "compete fairly and protect riders." Meituan announced it would gradually extend social security to full-time riders from Q2 2025. Douyin also expanded food delivery to 30+ cities.

The Price War Aftermath

Three platforms burned through billions in subsidies. What changed for riders?



Market share (instant delivery, Q4 2025)

45.2%

Taobao Flash

45.0%

Meituan

8.4%

JD.com

1.5%

Douyin

Uber vs Meituan

Same Technology, Different Politics

Dimension	Uber (Market Model)	Meituan (State Model)
Algorithm	Surge pricing, gamification, hidden destinations, dynamic pay	Shrinking time windows, automatic fines, route assignment
Exploitation evidence	82% earn less over time. \$5.12/hr median (TX). Take rate: 20% → 30%.	¥3.65/order (2023) → ¥3-4 (2026). Rider deaths from time pressure. Impossible route algorithms.
Regulatory response	Court cases (decade+). UK Supreme Court 2021. Corp lobbying (Prop 22).	\$533M antitrust fine (2021). Forced competition (JD.com). Binding algorithm rules (2026).
Speed of change	~12 years from first case to Supreme Court. One country.	~5 years from viral article to binding regulations. Nationwide.
Worker voice	Unions forming (IWGB, ADCU). GDPR data access requests. Class action litigation.	No independent unions. State acts for workers. Workers not at the table.

The "5 minute button" individualised a structural problem. The state's response treated it as structural. CMS helps us see the difference.

Who is "the system" in "trapped in the system"?

Not just the algorithm. The system includes the platform's profit model, the labour framework, the consumer culture demanding instant delivery, and 7 million riders with no collective voice. The algorithm operationalises these forces, but it did not create them.

What does the "5 extra minutes" button naturalise?

It frames rider safety as individual consumer choice, not as a structural design decision. It shifts responsibility from the platform to the user. CMS would call this individualising a systemic issue. The state's response was to intervene at the system level.

Does state intervention solve the CMS problem?

Fines, forced competition, and regulation address structural conditions in ways that courts and consumer buttons cannot. But CMS would still ask: who defined what counts as "fair" competition? Workers were not at the table when these decisions were made. State power replaced corporate power, but power remains.

Dignity by Design?

DISCUSSION

French Design Award 2026 — Gold

First time in 11 years a workwear design won the top prize

- Racing-inspired design for rider "pride and belonging"
- Smart earbuds for hands-free navigation
- Crash-detection helmet (Amap integration)
- Emergency medical info pocket
- Cost: ~€20 per set, free to 1M+ riders

The CMS Question

The uniform wins international awards for "humanising the profession."

Meanwhile, per-order pay fell from ¥8-9 to ¥3-4.

Does better branding equal better working conditions?

Or does it construct a narrative of care that masks economic reality?

Discuss: Is the Taobao uniform genuine worker welfare, corporate branding, or state-guided soft power? Can it be all three?





Varieties of Platform Capitalism

Three models of platform governance

US/UK: Market + Courts

Courts decide case by case

Decade-long litigation

Corporate lobbying shapes law

Workers classified individually

No systemic intervention

EU: Directive Model

Rebuttable presumption of employment (2024 directive)

Platform must prove workers are genuinely independent

Applies across member states

Multi-year implementation

Algorithmic transparency rules

China: State Intervention

Direct regulatory action

Antitrust fines on monopolies

State-directed competition

Algorithm as subject of collective bargaining (2026)

Working hour caps enforced through the app itself

The same technology produces different outcomes depending on the political economy it operates within.

What enables different responses to platform power?

- 1 Why did it take 12 years for UK courts to rule Uber drivers are workers?
- 2 Why was China able to fine Meituan, force competitors in, and pass binding regulations in 5 years?
- 3 In which model do workers have more power? In which model do they have more voice?
- 4 Is faster intervention always better? What are the trade-offs?

These are analytical questions, not conclusions. The evidence supports multiple interpretations.

Same technology, different politics. What enables different responses?

A

State intervention is more effective. Workers got social security and regulation faster in China than through Western courts.

B

Speed is not everything. UK workers fought for their own rights through courts and unions. That process builds power.

C

Both systems serve capital. Chinese state intervention disciplined one monopoly to create others. Workers remain managed by algorithms either way.

D

The comparison itself is the lesson. Platform capitalism adapts to different political systems. CMS should analyse both.

Key Takeaways

1

Platforms are not neutral marketplaces.

They are designed systems that structure relationships, extract data, and profit from work they claim they do not manage (Srnicek, 2017).

2

Algorithmic management is the deepest form of invisible power.

The 6 Rs (Kellogg et al., 2020) function like a human manager but at a scale no human can match. Evidence shows Uber's algorithm systematically discriminates on wages.

3

"Freedom" and "flexibility" are doing ideological work.

Both Uber and Meituan framed workers as free. CMS denaturalises this by asking what that freedom actually consists of when every meaningful choice is shaped by an algorithm.

4

The political system shapes what is possible.

The same technology produces different outcomes. Court-based regulation (US/UK), directives (EU), and state intervention (China) each enable and constrain different responses. CMS must analyse all of them.

Next Week

Week 8

New topic. Details on the VLE.

- Tutorial presentation groups continue
- Check the VLE for your essential reading
- Bring your CMS lens: we will keep using it

Essential reading for this week:

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Tutorials

Thank you

University of Wales
Trinity Saint David

