

UK: The Deliveroo/GMB model for corporatism

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The agreement between app-based food delivery company Deliveroo and the GMB union in the UK is a devastating confirmation of the corporatist character of the trade unions. It explicitly affirms the role of the trade unions as partners of corporate management in disciplining the workforce and suppressing its struggles.

The “Voluntary Partnership Agreement”, signed at the start of May, recognises the GMB, which currently has few, if any, members among Deliveroo riders, as the sole union covering the company’s 90,000-strong workforce across the country. It was hailed by the GMB, the Trades Union Congress (TUC) and the Labour Party as “historic” and “first of its kind in the world”. The “innovative” agreement, the GMB claims, is “a blueprint for those working in the platform self-employed sector.” Frances O’Grady, General Secretary of the TUC, celebrated it as a “landmark agreement that will give Deliveroo riders a real voice at work”, while Labour Shadow Chancellor Rachel Reeves declared it “groundbreaking”.

Deliveroo founder and CEO Will Shu was equally pleased, writing, “We are delighted to partner with the GMB in this first-of-its-kind voluntary agreement, giving self-employed riders flexibility, guaranteed earnings, representation and benefits.”

Without any sense of irony he continued, “This voluntary partnership is based on a shared commitment between the GMB and Deliveroo to rider welfare and wellbeing. Together, we are focusing on what matters most to riders.”

That the head of a company infamous for the ill treatment of its workers speaks of the GMB in such warm and friendly tones should dispel any illusions that the union is in any way a “workers’ organisation”, committed to fighting in the interests of its members. What the agreement provides a “blueprint” for is the ever closer integration of the trade unions into the fabric of the company as a de facto labour management department, acting against the workers it supposedly “represents”. The GMB is not focused on what “matters most to riders”, but what matters most to Deliveroo.

The Voluntary Partnership Agreement

The GMB’s written agreement with Deliveroo is an explicit presentation of the real relationship between the unions and companies. Referring to itself and the company as “Partners”, the GMB lays out its plan to enforce the super-exploitation of delivery riders and to act as an industrial police force on behalf of Deliveroo.

Among the provisions of the deal is its acknowledgement of the status of Deliveroo drivers as self-employed contractors. It states, “The Partners accept that Riders for Deliveroo are self-employed and in business on their own account and Deliveroo is just one of many clients and customers with whom they may work.”

The status of Deliveroo workers as supposedly self-employed is one of the most fiercely protested aspects of the company’s exploitative business practice and has led to a series of strikes and legal challenges by workers. Classifying riders as self-employed removes any legal obligations on Deliveroo to provide them with benefits or even pay the paltry minimum

wage.

Also written into the agreement is the condition that riders are paid on a “time on order basis”—i.e., the time between accepting an order and dropping it at the customer’s door, rather than from when the worker logs into the app. It has long been a demand of Deliveroo workers that they are paid for their whole time on the job, rather than the minutes directly spent on a delivery.

Spelling out its commitment to fight for the profits of Deliveroo by preserving these poverty-level wages and detrimental conditions, the GMB’s statement continues:

“The Partners are committed to the long term, sustainable business success of Deliveroo and *nothing in this Agreement shall operate to undermine this objective* [emphasis added]. The Partners acknowledge that from time to time there may be legitimate differences in interests and priorities and jointly commit to resolve these in a spirit of mutual trust and respect.”

No clearer demonstration of the character of the unions as paid stooges of corporate management could be found. The GMB boasts of its intention to prevent workers from taking any action which could “undermine” the “business success” of Deliveroo, including demanding improved pay, terms and benefits. The agreement states, “The Partners are committed to working together to promote good work and good industrial relations...”

The growth of the class struggle

The recognition deal at Deliveroo, which has traditionally been hostile to the unions is the result of strategic calculations by the food-delivery giant and the GMB. The company’s decision to bring the GMB into the fold must be seen in the context of growing worker militancy and the escalating class struggle in the UK and internationally.

After more than two years of a pandemic which has cost the lives of almost 200,000 people in the UK, and amid the greatest cost-of-living crisis in decades, large sections of workers are pushing to take action against their increasingly intolerable conditions of life. As the Retail Price Index (RPI) measure of inflation surged past 11 percent in May, worried comment pieces have proliferated in the bourgeois press raising the spectre of a “summer of discontent” (*The Times*) or even a “Year of discontent” (*The Daily Mail*).

Last week, 40,000 rail workers across the UK voted to walk out in a dispute over jobs, pay and conditions, in what is being dubbed the “biggest strike in modern history”. A similar number of BT telecoms workers are preparing to launch their first national strike in 35 years, while across the country stoppages by transport, education and refuse workers have broken out.

Over the last weeks, mass protests and strikes of a nationwide character have also erupted in Sri Lanka, Peru, Pakistan, Iran, Greece, Italy, Belgium and elsewhere against rising inflation and plummeting living standards.

Deliveroo, which according to research by the Centre of Employment Relations, Innovation and Change is the most protested gig-economy firm

in the world, is acutely aware of the impact that mass action by its own workforce would have on its commercial viability. Despite working with more than 115,000 restaurants in 12 countries and having over 110,000 riders globally, Deliveroo, which was initially valued at £8.8 billion when first floated on the stock market last year, has yet to turn a profit.

Under conditions of the mass impoverishment of workers, Deliveroo fears that the simmering discontent among riders could boil over into uncontrolled anger and industrial unrest. The company has clearly wagered that the GMB will be able to offer a vital service in straitjacketing workers—a role the union is only too willing to play.

The dead-end of the Independent Workers Union of Great Britain

The GMB–Deliveroo deal is a debacle for the Independent Workers Union of Great Britain (IWGB), which has launched a series of high-profile campaigns around Deliveroo workers over the last few years. Through these efforts, it is thought to have recruited around 1 percent of Deliveroo workers, several hundred people.

The GMB–Deliveroo deal has received sharp criticism from the IWGB, which has described it as a “hollow and cynical PR move”. Its president, Alex Marshall, told *The Guardian* that the timing of the deal, just days before the company’s annual shareholder meeting, was a “desperate attempt to go to the meeting and say, ‘Look how great we are doing’ when this company is as rotten as ever”.

The IWGB condemned the deal for sabotaging its own ongoing legal case against Deliveroo, in which it is seeking to challenge the company’s earlier decision to refuse it collective bargaining rights. In its statement on the agreement, the IWGB declares:

“Now as we appeal our collective bargaining case to the Supreme Court, Deliveroo has cynically made this backroom deal with the GMB, which has no record of organising couriers and presents no threat to their exploitative business practices, to protect itself in the event that it loses at the final stage. Deliveroo is undermining the efforts of couriers to pursue their rights through the courts, to organise for a voice at work, and to improve their working lives.”

These criticisms only confirm that bankrupt character of the IWGB’s efforts to construct a supposedly more membership-friendly form of trade unionism without mounting any political challenge to the major unions.

The IWGB, with fewer than 7,000 members, was established as a split-off from the UK’s two largest unions, Unite and UNISON, in 2012. Claiming to represent a return to the traditions of the “grassroots” and “disruptive” past of the trade union movement, it set out to recruit among those workers largely abandoned by the TUC affiliated unions, the super-exploited gig economy workers, especially those from immigrant backgrounds. In the process they would prove to the TUC affiliates how unions could and should be organized in the modern world

The politics governing the IWGB are a mixture of syndicalist nostrums of “pure trade unionism”, drawn from various academic texts, identity politics and the pursuit of legal challenges. Its founder was Jason Moyer-Lee, an American academic specialising in economics and “social engagement”. Since the end of 2020, Moyer-Lee has been a Practitioner Fellow in the Kalmanovitz Initiative for Labor and the Working Poor at Georgetown University, in Washington DC. He leaves behind an organization with few members, an annual income from members of £532,000 in 2020, and £398,295 in donations, of which £735,000 is spent on salaries.

While claiming to stay out of politics, the IWGB is affiliated to the Progressive International (PI), a collection of political bankrupts including pseudo-left US Senator Bernie Sanders, former Greek finance minister Yanis Varoufakis—who as part of the SYRIZA government played a key role in imposing brutal austerity measures on that country’s population—and John McDonnell, former Labour shadow chancellor under Jeremy Corbyn.

Since its founding, the IWGB has been involved in several prominent

actions in the gig economy which have received extensive media coverage, including legal challenges against Deliveroo, ride-hailing app Uber, and the University of London over the rights of outsourced cleaning workers. While it has acquired a reputation as a “radical” or “bottom-up” organization, it has never challenged the political betrayals of the trade union bureaucracy and the Labour Party that have left its own members in such dire straits.

The IWGB’s perspective revolves instead around pressurizing and persuading various corporations and the state to adhere to uphold certain basic labour standards in order to minimise and control workers’ unrest. Regardless of the intentions of leading members of the IWGB, no significant gains can be achieved from such a fraudulent political standpoint.

Globalisation, corporatism and the trade unions

The IWGB offers no explanation of why the trade unions it seeks to reform have undergone a similar transformation into appendages of management and the state in one country after another, and regardless of the formal political character of their leaderships. The trade unions have long since ceased to be organisations fighting in the interests of the working class, having overseen four decades of betrayed and defeated strikes, contract concessions and declining membership. But this is not the result of a few “bad leaders”. It is due to the character of the unions as nationalist, pro-capitalist organisations in an epoch in which production is organised on a global scale.

When the economy was largely organised along national lines, it was possible for the trade union bureaucracy to secure certain concessions for their members by combining very limited forms of class struggle, including strikes when this was unavoidable, with collective bargaining through officially recognised structures and, occasionally, their political relations with a national reformist Labour Party.

With globalisation from the 1980’s onwards enabling transnational corporations to pit workers in all corners of the world against one another, a process of levelling down of wages and conditions began. In Britain, this was presided over by a trade union bureaucracy that was transformed into direct appendages of management and abetted by a Labour Party, in government and opposition, that abandoned its previous commitment to social reforms and has now become indistinguishable from the Conservative Party.

It is these objective processes that dictate the role of the unions today as corporate syndicates, and not “workers’ organisations” in any sense whatsoever. To answer this, workers need something far more than the “membership-led” rhetoric of the IWGB.

Deliveroo workers must treat the GMB as their enemy and a fifth column for the company, resisting all bureaucratic efforts to recruit them should they be made. Genuine rank-and-file committees led by trusted workers must be built, to connect the struggles of Deliveroo riders with their class brothers and sisters in the UK and internationally, joining up the fight of delivery workers with that of educators, autoworkers, transport workers, health care workers and all other sections of the international working class.

Workers cannot successfully fight on a national basis against companies whose operations are based on a global strategy. They must base their struggles on the programme of socialist internationalism. This is the perspective of the Socialist Equality Party (SEP). We urge all Deliveroo workers to get in touch with the SEP to find out more about forming rank-and-file committees and joining the party.



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