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Striking Food Delivery Workers in Russia Take on Tech Giant Yandex

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In Russia, mounting authoritarianism and the wartime crackdown on dissent have hobbled trade unions. A five-day strike by food couriers showed that at least some workers are refusing to be muzzled.

In the latest episode of their growing union drive, food delivery workers across Russia staged a five-day strike on December 20–25. According to the Courier trade union, which organized the action, around 3,800 delivery workers in more than fifteen cities participated in the strike. Workers leveled their demands at Russia's tech giant Yandex, whose food delivery service, Yandex.Eats, secured a virtual monopoly over the country's food delivery market after acquiring its main competitor, Delivery Club, in September.

The strike bore similarities to disputes with firms like UberEats and Deliveroo in other European countries. Among the demands made by delivery riders — who are officially self-employed — is the introduction of labor contracts with Yandex, as well as improved wages and working conditions. During the strike, thousands of delivery workers refused to take orders through the Yandex.Eats mobile app, disrupting the service in several cities. The Courier union also called on strikers to "sabotage the work" of restaurants that partner with Yandex by forming lines and blocking cash registers to customers.

Food delivery services in Russia have become hugely popular in recent years, especially in wealthy urban centers like Moscow and Saint Petersburg. Demand increased massively during the pandemic as Russia, one of the worst affected countries, went into lockdown. Before late 2022, three major players competed for the lucrative Moscow market: Delivery Cub, Yandex.Eats, and Sbermarket. Since Yandex's acquisition of Delivery Club, workers have complained of wage cuts, from 110 rubles, or \$1.59, per order to seventy rubles — around one dollar.

Delivery workers are not directly employed by Yandex. They are not guaranteed any labor rights and have no channels through which to negotiate better working conditions with the company. Like other digital platforms in Russia, Yandex says that its food delivery workers are autonomous self-employed "partners" or individual entrepreneurs. To be sure, this does offer some flexibility. Workers can choose their own hours, for example. But it means they are fully responsible for any risks and expenses that come with the job, as well as for personal health. It also means an absence of just-cause conditions for termination, and so Yandex can block delivery riders from using its Eats app without providing prior warning or an explanation.

For this reason, the Courier union <u>insists</u> on the introduction of labor contracts between Yandex and the food delivery workers it depends on for generating profits. Union leaders argue that contracts can guarantee workers that they will not be fired without explanation, that they will be offered sick leave, and that their wages will be indexed against inflation. Labor contracts would also establish direct formal relations between Yandex and union members, giving delivery riders the ability to

negotiate for better working conditions, namely on issues such as delivery radius size and Yandex's increasingly rigid policy of fines.

Even as work conditions have worsened, revenues for the food-tech department of Yandex have soared. Turnover for this part of the business, including Yandex. Eats, as well as the online shopping service Yandex. Market, rose by 124 percent year on year in the third quarter of 2022, reaching 9.8 billion rubles, or \$141 million. Total revenues for Yandex during the same period rose by 52 percent compared to the previous year, up to 91.3 billion rubles, or \$1.32 billion, meaning that revenues from food-tech contributed more than 10 percent of the company's overall revenue.

These rising revenues are especially notable given the fact that Russia is under heavy Western sanctions over its invasion of Ukraine. (Yandex itself was not directly sanctioned by the West, but some top managers were). Although sanctions have not delivered a quick knockout blow as some observers initially expected, the West's economic war with Russia is putting immense pressure on the country and constraining Moscow's ability to conduct military operations in Ukraine. Vladimir Putin's mobilization order, announced on September 21, added further pressure by taking approximately three hundred thousand men out of the workforce and diverting even more resources toward the war machine. Moreover, in December, the EU's oil embargo on importing Russian oil came into effect, which spells trillions of rubles in revenue losses for that industry, and subsequently, for Russia's hydrocarbon-thirsty state budget.

Yandex Fires Back

In response to Courier's announced strike, Yandex <u>told journalists</u> that it had not received any complaints from delivery workers, further claiming that their wages had in fact grown by 30 percent last year — and that in Moscow and Saint Petersburg they earn on average 350 to four hundred rubles per hour, or about five dollars to \$5.79. The company's press service <u>alleged</u> that a record number of food delivery workers were active during the five-day strike. However, <u>screenshots</u> from the Yandex.Eats mobile app shared online by both striking workers and customers sympathetic to their cause showed a different picture, with excessive wait times for deliveries caused by a shortage of workers.

Evidence emerged online of Yandex paying major news outlets and social media channels to discredit striking workers and the Courier union. Some outlets falsely reported that no strike was taking place. Managers of the Telegram news channel, Ateo Breaking, posted screenshots of messages it received from public relations employees at Yandex, who asked to share an article critical of striking delivery riders among the channel's nearly five hundred thousand subscribers. Likewise, Yandex began sending out mass text messages promising receivers a salary of 150,000 rubles, or \$2,171, a month and generous bonuses to work as a delivery rider for Yandex.Eats.

Most absurd of the tech company's anti-union tactics was the installation of bright-colored road signs in Moscow that expressed gratitude to delivery riders who continued to show up to work and fulfill orders during the strike period. Images of smiling delivery workers carrying cube-shaped backpacks and posing next to the signs were shared online by local media channels, wishing the workers "easy deliveries and big tips."

Despite Yandex's cynical and convoluted campaign against striking food delivery workers, the strike, which began with around six hundred people in Moscow and Saint Petersburg, ballooned in size, spreading to other major cities across Russia and uniting more workers than Courier union organizers had expected. At the same time, major national media outlets, such as the business newspapers *Kommersant* and *RBK*, published relatively detailed accounts of the strike and the demands made by food delivery workers. The highly popular YouTuber and film critic, Evgeny

Bazhenov, better known by his internet nickname BadComedian, additionally shared <u>messages of solidarity</u> with striking workers among his massive online following.

Tough Times for Labor

This strike was also unusual in another sense. As with most other forms of independent political activity in Russia, there has been a marked decline in large-scale labor organization over the past two decades. Draconian labor laws adopted in the early 2000s make it difficult to form unions and organize strikes legally. Likewise, Putin's authoritarian regime has co-opted official trade unions that inherited Soviet-era traditions. These organizations are more concerned with collecting membership dues than defending workers' rights, and they are frequently accused of siding with employers in labor disputes.

Alternative grassroots organizations have sometimes filled the space that official unions refuse to occupy. Many of these <u>independent unions</u> have been much smaller in membership numbers since they are usually formed on a professional basis, such as among autoworkers. They are also highly vulnerable to pressure and persecution from the state.

In 2018, for example, Russian authorities went after the <u>Interregional Trade Union</u>, known for its high-profile strikes at a Ford plant near Saint Petersburg. They dissolved the organization under the country's "foreign agents" law — the first time this legislation was used against a trade union. The same "foreign agents" legislation has been <u>used to silence</u> activists and journalists critical of Russia's invasion of Ukraine.

While unions and workers do not usually make overt political demands, authorities classify any kind of grassroots collective action as political — a trend that wartime crackdowns on dissent have strengthened. Years of struggle have led some independent unions to realize that they cannot improve workers' rights without larger, more fundamental changes to the state, which implies having a seat at the policymaking table — something Russian authorities have not shown themselves willing to offer.

In this context of limited capacity for labor organization from below, the Courier union stands out among the rest, both in terms of its aggressive approach to organizing and use of politicized, left-wing language. Courier got its start in June 2020 when food delivery workers from Delivery Club launched a strike over delays in payments for two months of work. Under pressure, the company capitulated and sent out the payments it owed workers. Since then, the union has organized numerous protests and strikes on issues ranging from planned wage cuts to financial penalties against workers for small infractions of rules.

Courier's main organizer, Kirill Ukraintsev, who rose to fame as a leftist YouTuber before leading the union, was <u>arrested</u> in April of last year and charged for "violating the rules of assembly." He remains in a holding prison to this day. Ukraintsev's case serves as an important precedent as it effectively criminalizes any form of labor protest and thus makes their prospects in the current political environment much more risky. Also, in November, police <u>detained</u> the Courier's cochairman, Said Shamhalova, on suspicions of "intent to commit robbery," though he was later released.

Despite the coalition of government and corporate forces acting against Courier and its members, the union has managed to put pressure on some of Russia's largest tech firms and secure meaningful victories for workers. The tactics used in the union's December strike demonstrate that no matter how repressive Russia's political system becomes, socially conscious activists can find new and creative ways to circumvent obstacles thrown at them by the authorities.

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P.S.

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