

# Business

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## Battle the algorithms: China's delivery riders on the edge

### Authorities launch crackdown on firms to 'ensure basic labor protections'

**BEIJING:** Handing over a piping hot meal at exactly the time promised, Chinese food delivery driver Zhuang Zhenhua triumphantly tapped his job as complete through the Meituan app—and was immediately fined half of his earnings. A glitch meant it inaccurately registered him as being late and he incurred an automatic penalty—one of many ways, he said, delivery firms exploit millions of workers even as the sector booms.

Authorities have launched a crackdown demanding firms including Meituan and Alibaba's Ele.me ensure basic labor protections such as proper compensation, insurance, as well as tackling algorithms that effectively encourage dangerous driving.

But more than a dozen drivers told AFP there has been little change on the ground. Often the only way to complete orders on time is to "go really fast... speed past red lights, drive on the wrong side of the road," Zhuang said. "At the beginning, (the app allocated) 40 to 50 minutes to complete an order-now for an order within a distance of two kilometers, with the same distance and time as before, we are given 30 minutes," he explained. The coronavirus pandemic and resulting lockdowns sent demand for meal delivery services soaring: the sector is now worth 664 billion yuan (\$100 billion), according to a report from the China Hospitality Association.

The nation's competitive app-based services have expanded into nearly every aspect of modern life, with digital-savvy consumers used to instantaneous service and fast delivery due to a ready flow of cheap labor. But after years of unrestricted growth, China's Big Tech is coming under fire from Beijing with Tencent, Didi and Meituan all targeted over anti-monopoly rules.

Earlier this year, Alibaba was fined a record \$2.8 billion after an investigation found it had abused its dominant market position.

## Airlines gear up for travel surge as US reopens

**NEW YORK:** Airline reservations to the United States took off immediately after the White House announced the country would reopen to all vaccinated international voyagers starting next week, compelling a welcome-if challenging-industry pivot. The long-awaited US move to welcome back international travelers—which takes effect Monday—follows 18 months of restrictions for 33 countries during the worst of the coronavirus pandemic that separated families, impeded business travel and frustrated tourists. Big carriers including Air France, United Airlines and Singapore Airlines are scrambling to meet the sudden surge in demand, adding flights, swapping in bigger planes for smaller ones and redoubling efforts to hire and retain staff.

Just after the White House announcement, British Airways saw a 900 percent jump in searches for flights and holiday packages to key US destinations compared with the week before.

The day after the announcement, American Airlines garnered a 66 percent jump in flight reservations to Britain, 40 percent to Europe and 74 percent to Brazil. Competition for seats on November 8 itself was especially intense, as Evelyne and Jean-Michel Desobeau discovered when they booked a trip using frequent flyer miles.

The couple, anxious to see their daughter and son-in-law, had reserved a flight from France to New York for November 2, based on a guess of

## Startups eye post-pandemic 'tele-health' revolution

**LISBON:** From mental health apps to a helmet that can shock a patient's brain remotely, startups at this year's Web Summit are betting on a major shift towards "tele-medicine" as the world emerges from the pandemic.

Using technology to treat patients virtually was a major theme at one of the world's largest tech conferences, which returned to Lisbon this week after COVID-19 forced it to move online in 2020. "These days, most people use their phones for a lot of everyday needs—why shouldn't healthcare be part of this?" said Johannes Schildt, whose company Kry lets patients book on-screen medical appointments. "The pandemic has accelerated adoption of these new technologies," Schildt told AFP.

Sweden-based Kry, which operates in five European countries, is far from the only app designed

### Lives at risk

There is mounting public concern over the amount of data handled by popular apps, including food delivery platforms, and Chinese authorities have directed the cyberspace watchdog to look at how algorithms are used by tech conglomerates. Shortened delivery times have also caused more accidents in recent years, amid promises of swift service. Globally, the sector is facing scrutiny over its treatment of predominantly freelance workers, who endure low pay, few employee rights, and are often hired through agencies to avoid providing benefits.

China's gig economy now accounts for almost one quarter of its workforce — 200 million people are in "flexible employment", according to government figures. The plight of food delivery and truck drivers caught public attention after little compensation was offered to the family of one courier who died delivering meals for Ele.me in Beijing, and a second set himself on fire in a dispute with the firm over pay.

Despite being hailed as an essential service, particularly at the height of the pandemic, drivers earn just 7,700 yuan a month on average. Zhuang said many feel they are putting their lives at risk because of algorithms used by apps to determine the route and travel time allowed before drivers incur a "late delivery" penalty. Another rider, who gave his surname as Liu, told AFP that the allocated delivery time included the period it took for the food to be prepared, something beyond his control but that could impact his pay.

"If there are delays, riders take the blame," the 40-year-old said, adding that the system made it hard to reject orders from slow merchants. "It's useless to complain," said rider Chen Mingqiang, 50.

### 'Nobody wants to pay'

Meituan, which has more than 628 million users,



**BEIJING:** Food delivery drivers for online shopping platform Meituan standing in formation before starting their work along a street in Beijing. — AFP

said it calculates the time needed for a journey in four ways and allocates the longest from those options and includes a buffer. In a written statement, the firm insisted such decisions were made "considering rider safety as the first priority, and also to satisfy consumers' needs" and that drivers could contest unfair fines.

Last month, after China's cyberspace regulator outlined plans for tighter controls on tech companies, Meituan said it would optimize its "algorithm strategy" and roll out greater allowances to help couriers avoid dangerous work conditions. Kendra Schaefer, at Beijing-based consultancy Trivium, said a lack of transparency on how platforms were cod-

ed to determine driver requirements and compensation was a serious issue.

"An algorithm is intended to maximize efficiency, unfortunately as we're finding as society modernizes, algorithms maximize efficiency at the expense of humans," she said. "Everybody wants drivers to get treated better but nobody wants to pay for it." The sector relies heavily on migrant workers—who are often low-skilled and have come to cities from rural provinces in the hope of making money.

For many, there are few employment alternatives. Zhuang conceded: "If I had the choice, I definitely wouldn't work as a delivery driver. It's a dangerous job, with high risk." — AFP



**LOS ANGELES:** A view of the airline ticket counters at the Los Angeles Airport. — AFP

when the travel ban would be lifted. But when the date was officially set at November 8, the couple discovered that flying that day would have meant using three times as many miles as the original trip. In the end, they will arrive on November 9, using a more moderate amount of miles.

### More seats, bigger planes

At Air France, traffic has been gradually returning and "won't change overnight on November 8," said a spokesperson for the carrier. The French airline has for months flown jets with empty seats. But with demand rising, it recently increased the number of daily flights between New York and Paris from three to five. For its Houston-Paris trip, Air France is shifting out the Airbus 330 in favor of the Boeing 777, which has more seats. The carrier expects its

to do away with the need to physically visit a doctor.

And not all of these startups focus on physical health. US-based Calmerry is among a growing number of e-counseling companies that offer video sessions with mental health therapists. Most public healthcare systems offer limited access to such services, or none at all. With subscriptions starting at \$42 per week, Calmerry's co-founder Oksana Tolmachova said a key goal was to make therapy more affordable.

### Confiding in robots

Other apps are taking a different approach to tackle the explosion in depression and anxiety seen worldwide during the pandemic. Mental health chatbot Woebot also invites users to discuss their problems, but the replies come from artificial intelligence rather than a human therapist. While some may be unnerved by the idea of pouring one's heart out to a piece of software, studies suggest that confiding in a virtual human could encourage people to open up.

Woebot's founder Alison Darcy, a clinical research psychologist, said the chatbot avoided the "baggage and social constructs" that come with human interactions—worrying that the other person will judge you, for instance. And given the dearth of trained therapists compared with the number of people who need help with their mental health, Darcy argued that AI is a valid tool for approaching the problem. "We need to

capacity in terms of US travel to reach 90 percent of its pre-COVID 19 level in March 2022, up from 65 percent in October.

Airlines are planning for a modest pullback in January and February after a strong holiday season, but anticipate strong demand in the spring that will intensify in the summer, traditionally the busiest season. At United Airlines, traffic to Latin America has fully returned to its level from 2019, but the rest of international travel remains at only about 63 percent.

The US carrier is betting big on a vibrant return to international travel, introducing five new destinations in the spring including in Spain and Norway, adding flights for popular destinations such as Rome and Dublin and reviving service to Frankfurt, Nice and other cities. — AFP



**LISBON:** Attendees take part in the Web Summit in Lisbon in this November 3 file photo. — AFP

be throwing everything at helping people get well," she said.

Darcy does not believe chatbots should replace human therapists outright, and AI has been shown to have its limits when it comes to healthcare. The UK's MHRA health regulator expressed concern in March over the symptom-checking software used by telehealth company Babylon, after reports that it failed to recognise some cases of serious conditions. — AFP

## Soaring prices fuel anti-ECB sentiment across Germany

**FRANKFURT:** As inflation soars to its highest level in three decades in Germany, Simon and Lena Wendland, parents of newborn twins, say that their lives have become more uncertain. Their power supplier has just announced it is doubling its electricity prices, while property prices are looking "rather scary".

"We don't know where this is going to lead us," Simon Wendland told AFP. From energy and food, to paper and rent, prices have been marching mercilessly higher both in Germany and across Europe.

Latest data put inflation in Europe's biggest economy at five percent year-on-year, a level not seen in the last 30 years. Bild, the country's biggest-selling newspaper, blames the European Central Bank for failing to rein in prices and even adding to the problem with its cheap money policy.

The Frankfurt-based ECB has argued that its record-low interest rates and 1.85-trillion-euro (\$2.15-trillion) pandemic emergency bond-buying program are necessary to prop up an economy ravaged by the coronavirus crisis. In Germany, however, savers believe the ECB's zero-interest-rate policy is eating away at the value of their assets.

Bild recently branded ECB chief Christine Lagarde as "Madame Inflation", saying she "wears Chanel clothes" but "mocks the fate of pensioners, employees and savers", even if the central bank president has herself expressed concern about the rising price of basic foodstuffs in supermarkets.

### Skepticism

With its ultra-loose monetary policy of recent years, the ECB has long been a bugbear for Germany's savers. Bild had nicknamed Lagarde's predecessor Mario Draghi "Draghila", comparing him to a vampire "sucking our accounts to the last drop". After the devastation wrought by the inflationary crises of the 1920s and 1970s, Germans have an ingrained fear of inflation, said ING economist Carsten Brzeski. Lagarde's repeated assertion that recent price surges are transitional is met with disbelief in Europe's most populous country.

"According to Madame Lagarde, we will have overcome all that by the middle of next year, but that's just what she says," said Marlott Kroeber, a 72-year-old former teacher. German bankers, too, have voiced skepticism about Lagarde's assessment. "There are more and more indications that this price surge is not temporary and we will have to live with it beyond this year," said Commerzbank chief Manfred Knof. — AFP