

SSH/PP/07

Empowerment or Exploitation? A Literature Review on the Dual Perspective of the Gig Economy

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Background: The gig economy is a labour market composite with short-term, on-demand, platform-mediated work arrangements that have replaced traditional, long-term, secured employment. Since 2010, the rise of digital platforms such as Uber, Fiverr, and Upwork has transformed the nature of work, providing a pathway to flexible and diverse income opportunities. Proponents highlight its potential for flexibility, autonomy, and entrepreneurship, whereas critics argue that it fosters income precarity, lack of social protection, and psychological stress. This duality has made the gig economy a pertinent topic in labour policy and academic fields. Despite a plethora of research, there is no solid consensus on whether gig work is empowering or exploitative, while creating regulatory challenges for policymakers.

Objective: To examine the empowerment perspective of the gig economy through flexibility, autonomy, entrepreneurial potential, and improved access to income opportunities. To examine the exploitative perspective of the gig economy in terms of precarious income, lack of social security, and negative effects on health and well-being. To propose evidence-based policy recommendations that can enhance empowerment while mitigating exploitation.

Methods: A systematic literature review was conducted in accordance with the PRISMA guidelines. Peer-reviewed articles (2010–2024) were sourced from Google Scholar, Elsevier, and manual searches. After screening 243 records and removing duplicates, 48 studies were selected for inclusion.

Results: Findings reveal a dual scenario. Gig work empowers through flexibility, low entry barriers for marginalised groups, and opportunities for skills and supplemental income. However, it also exposes workers to irregular earnings, the absence of social protection, algorithmic control, overwork, and contractor misclassification.

Conclusion: The gig economy is both empowering and exploitative. A balanced approach is required, including hybrid employment classifications, minimum pay and protection standards, algorithmic transparency, and capacity-building for workers. These measures can maximise empowerment while reducing precarity.

Keywords: Gig Economy, Empowerment, Exploitation