

**ICMC 2023**  
**The 3<sup>rd</sup> International Conference on Management and Communication**

**A REVIEW OF POLICY DOCUMENTS ON PLATFORM  
ECONOMY**

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**Abstract**

Platform economy is an explicit implication of the Fourth Industrial Revolution. The technological disruptions have transformed the landscape of the digital economy by changing the traditional forms of business model and workers. This paper seeks to examine the stance of world governments dealing with platform economy. Selected policy documents were identified based on 10 most cited articles in SCOPUS database and Overton database. However, the paper only examined policy documents published in English mediums, which have free access and are available online. This resulted in 70 policy documents to be reviewed further. During the analysis process, context filters were conducted by placing emphasis on the government's policy on platform economy. The paper found that implications of platform economy is inevitable; be it the positive or negative side. Three major challenges of the platform economy were identified: employment status and social welfare of platform workers as well as the algorithm management of platform business models.

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*Keywords:* Digital Economy, Platform Economy, SCOPUS, OVERTON

## 1. Introduction

Platform economy is an explicit implication of the Fourth Industrial Revolution. The technological disruptions have transformed the landscape of digital economy by changing the traditional forms of business model and workers. In early years, most governments of the world applauded platform economy due to its lucrative business benefits notably creating enormous new jobs that could reduce unemployment rate. However, “platform work is highly diverse, and models are constantly changing” (Eurofound, 2018, p. 59). This places the interest of the paper to investigate the stance of world governments on platform economy. Its objectives are to identify ten most cited publications on platform economy, to identify three out of ten most cited publications that have highest policy citations, and to determine challenges of platform economy based on policy reviews. The following section explains the conducted research methodology of the paper.

## 2. Research Methods

The study adopted the scoping review method of Arksey and O’Malley (2005). This enabled the study to “attain in-depth and broad results” of policy documents related to platform economy (Arksey & O’Malley, 2005, p. 22). Research questions were framed based on the stages proposed by Arksey and O’Malley (2005, p. 22): “stage 1: identifying research question, stage 2: identifying relevant studies, stage 3: study selection, stage 4: charting the data and stage 5: collating, summarizing and reporting the results”. The study identified relevant studies in two databases: Scopus and Overton. Scopus database was meant to determine the top ten highest cited journal articles. No exclusion criterion was imposed at this point of time.

Next, it determined the relevant policy documents through Overton database. It identified 235 policies related to platform economy. Exclusion criteria such as published in English medium and in a form of policy document namely official report, policy paper, technical note, factsheet and working paper were imposed. Documents were filtered as to avoid redundancy; that is, having some articles supporting the very same policy document. Consequently, 70 policy documents were reviewed in the study: action framework (1), discussion papers (8), factsheet (1), policy briefs (5), reports (41), research paper (1), technical note (1), white papers (3), and working papers (17). Throughout analysis process, documents were contextual filtered based on respective emphasis on government’s stance on platform company.

## 3. Findings

The paper identified ten journal articles with highest citations as shown in Table 1.

**Table 1.** The Top Ten Highest Cited Journal Articles\*

No	Author(s)	Title (Published Year)	Source
1	Kenney, M & Zysman, J.	The rise of the platform economy (2016)	Issues in Science and Technology 32(3), 61-69
2	Wood, A.J., Graham, M., Lehdonvirta, V. &	Good gig, Bad gig: Autonomy and algorithmic control in the global gig economy	Work, Employment and Society 33(1), 56-75

	Hjorth, I.	(2019)	
3	Acquier, A., Daudigeous, T. & Pinkse, J.	Promises and paradoxes of the sharing economy: An organizing framework (2017)	Technological Forecasting and Social Change 15, 1-10
4	Van Doorn, N.	Platform labor: On the gendered and racialized exploitation of low-income service work in the 'on-demand' economy (2017)	Information Communication and Society 20(6), 898-914
5	Sutherland, W. & Jarrahi, M.H.	The sharing economy and digital platforms: A review and research agenda (2018)	International Journal Information Management 43, 328-341
6	Hall, J.V. & Krueger A.B.	An analysis of the labor market for Uber's Driver-Partners in the United States (2018)	ILR Review 71(3), 705-732
7	Vallas, S. & Schor, J.B.	What do platforms do? Understanding the gig economy (2020)	Annual Review of Sociology 46, 273-294
8	Schor, J.B. & Altwood-Charles, W.	The "sharing" economy labor, inequality, and social connection on for-profit platforms (2017)	Sociology Compass 11(98) e12493
9	Tassinari, A. & Maccarrone, V.	Riders on the storm: Workplace solidarity among gig economy couriers in Italy and the UK (2020)	Work, Employment and Society 34(1), 35-54
10	Veen, A., Barratt, T. & Goods, C.	Platform-Capital's 'App-etite' for control: A labour process analysis of food delivery work in Australia	Work, Employment and Society 34(3), 388-406

\*Compiled by Authors based on Scopus database

The paper identified **three articles with highest policy citations**, which details are shown in the following table 2.

**Table 2.** Three Journal Articles with Highest Policy Citations\*

No	Author(s)	Title (Published Year)	Source	Policy Citation
1	Wood, A.J., Graham, M., Lehdonvirta, V. & Hjorth, I.	Good gig, Bad gig: Autonomy and algorithmic control in the global gig economy (2019)	Work, Employment and Society 33(1), 56-75	50
2	Van Doorn, N.	Platform labor: On the gendered and racialized exploitation of low-income service work in the 'on-demand' economy (2017)	Information Communication and Society 20(6), 898-914	35
3	Hall, J.V. & Krueger A.B.	An analysis of the labor market for Uber's Driver-Partners in the United States (2018)	ILR Review 71(3), 705-732	49

\*Compiled by authors based on Scopus database.

Article authored by Wood et al. (2019) titled 'Good gig, Bad gig: Autonomy and algorithmic control in the global gig economy' was ranked as the highest policy citations. It argues: "algorithmic management techniques enabled by platform-based rating and ranking systems facilitate high levels of autonomy, task variety and complexity, as well as potential spatial and temporal flexibility" (Wood et al.,

2019, p. 70). It warned about the “lack of social contact and feelings of social isolation” when working independently, not based in specific working space (Wood et al., 2019, p. 70). It also identified that skills as the leverage of platform workers and platform reputation, leverage of platform companies. Nevertheless, it did not provide any suggestion on the mediation between platform companies and workers. Let alone how government should address the platform economy by reaping its benefits and mitigating respective risks.

Meanwhile, article authored by Van Doorn (2017) was ranked as the second highest policy citations. It highlighted the difficultness of platform workers to bargain with platform companies due to legal constraints such as litigation and regulation (Van Doorn, 2017, p. 908). It also concerned about the downplayed voices of platform workers in scholar debates on platform economy. On the same note, it highlighted the importance of collective movements amongst the platform workers as to fight against the capitalism embedded in the platform economy.

The third highest policy citation was an article titled “An analysis of the labor market for Uber’s Driver-Partners in the United States” authored by Hall and Krueger (2018). It argues that flexibility influenced most drivers to collaborate with Uber within the framework of platform economy (Hall & Krueger, 2018). The article should be argued as pioneer works on platform economy with its contribution of providing an empirical overview of Uber drivers as platform workers.

The paper identified **three major challenges** of platform economy based on reviewed policy documents namely (1) platform workers’ employment status, (2) platform workers’ social welfare, and (6) algorithm management of platform companies.

#### Challenge 1: Employment Status of Platform Workers

Platform workers’ employment status has become one major concerns among the world government. The root of this concern is the inclination of platform companies hiring platform workers who are independent contractors as task-based workers, rather than employed workers when operating business. By doing this, platform companies could reduce respective operational costs. Being a platform worker, one could enjoy work flexibility in terms of working time and task(s). However, platform companies have some controls on these independent workers by determining some conditions of task that they could perform. According to Eurofound (2018, p. 43), “platform work is blurring the boundaries between traditional employment statuses, and in particular between employees and self-employed workers”. This is because “terms and conditions of the platform determine employment status” (Eurofound, 2018, p. 43). It further argues that different countries in Europe interpret the status of employment status differently as in accordance with respective national law. Some cases related to blurred employment status were brought to court. However, judicial rulings vary based on types of platform workers and specific conditions of platform work. “In Italy, the Labour Tribunal of Turin in April 2018 rejected the claim by six Foodora couriers that they should be reclassified as employees” (Eurofound, 2018, p. 45). In contrast, “Spain, the labour inspectorate of the autonomous community of Valencia concluded in December 2017 that Deliveroo riders are employees” (Eurofound, 2018, p. 45). Similar observations were found in the United Kingdom in which two employment court cases involving

drivers and riders came up with two different rulings as highlighted by Eurofound (2018). Oviedo et al. (2021) also highlighted the different interpretation of employment status among the platform riders in Latin America. On the same note, The Welsh Government (2019, p. 24) warned about “those whose conditions of employment are similar to employees are classified as self-employed independent contractors to avoid employer responsibilities, employment rights, social protections or tax liabilities”. Drawn from this basis, governments of the world are concerned on how blurred employment status could resulted into economic turmoil.

#### Challenge 2: Platform Workers’ social welfare

Platform workers’ social welfare is another challenge that government faced when dealing in platform economy. The concern was the inadequate social protection of platform workers as compared to employed workers. “Platform workers generally lack protection against unemployment” (Eurofound, 2018, p. 47). There were (still does) many initiatives to press the platform companies to contribute to providing social protection for platform workers. “Some platforms have started to offer this insurance to workers (for example, the cleaning platform Helpling), but these platforms are an exception to the norm” (Eurofound, 2018, p. 48). Some platform companies have reservation to provide social protection for platform workers because such action could be misinterpreted as employing platform workers as permanent staffs. “This could be used against them in reclassification cases, as proof of the existence of labour relationships (an outcome that the vast majority of platforms would like to avoid)” (European Commission & PPMI, 2021, p. 65). In addition to this, European Parliament (2020, p. 50) highlighted that low skilled platform workers would receive less social protection as compared to high skilled platform workers given their status as independent workers. This infers the need of government to wisely address social welfare issue among platform workers.

#### Challenge 3: Algorithm Management of Platform Companies

Algorithm management of platform companies is another challenge that government faced when dealing in platform economy. The root of cause is the lack of transparency on the exercise of algorithm in managing platform business operation. Often, platform workers are clueless on pay calculation (European Commission & PPMI, 2021, p. 68). It could be argued that the lack of transparency in algorithm management could resulted into platform workers being underpaid of completed tasks. From the business side, however, algorithm management should be regarded as trade secret because of its fundamental pillar in platform economy. In addition, “platforms lack accountability for the working conditions that algorithms shape” (European Commission & PPMI, 2021, p. 69). Most world governments are in dilemma on how to regulate algorithm management of platform companies. This situates the importance of balancing interests between all actors in platform economy, notably workers and business companies.

## 4. Conclusion

The paper concludes that the stance of world governments dealing with platform economy is evolving due to the unsettled changes brought by the dynamics of platform economy. Governments of the world have yet to identify feasible ways to address the three challenges highlighted in the paper: employment status of platform workers, social welfare of platform workers, and algorithm management of platform companies. It could be argued that the process of dealing with afore-mentioned changes is like walking on thin ice. Balancing the interests of actors notably platform workers and platform companies should be the most prioritized agenda should the world governments want to stabilize the landscape of platform economy.

## Acknowledgments

This work was supported by the Ministry of Higher Education (KPT) Malaysia through Fundamental Research Grant Scheme (FRGS/1/2020/UUM/02/28).

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