

Digital Transformation and Informal Work: A Narrative Review of Platform Economies in the Global South

Cruift Andika

STIE YAI Jakarta, Indonesia

Correspondent: cruiftandika13@gmail.com

Received : July 11, 2025

Accepted : August 19, 2025

Published : August 31, 2025

Citation: Andika, C., (2025). Digital Transformation and Informal Work: A Narrative Review of Platform Economies in the Global South. Sinergi International Journal of Economics, 3(3), 170-182.

<https://doi.org/10.61194/economics.v3i3.868>

ABSTRACT: The rise of digital platforms has significantly transformed informal labor markets in developing economies, offering both opportunities and challenges. This narrative review synthesizes current research on the economic impacts of digital platforms, focusing on job creation, precarity, gender and migrant dynamics, and regional disparities. Literature was collected from Scopus, Web of Science, and Google Scholar using targeted keywords, emphasizing peer-reviewed studies published between 2010 and 2024. Findings indicate that digital platforms contribute significantly to employment generation and income growth, though challenges persist such as income instability, lack of social protection, and algorithmic bias. While digital platforms can drive inclusive growth, their transformative potential depends on regulatory frameworks, social protections, and equitable digital inclusion policies.

Keywords: Digital Platforms, Gig Economy, Informal Labor, Developing Economies, Social Protection, Gender Inequality, Digital Divide.



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INTRODUCTION

The rapid proliferation of digital platforms has reshaped global labor markets over the past decade, with particularly profound implications for informal labor markets in developing economies. These platforms, encompassing a wide range of services such as ride-hailing, e-commerce, digital freelancing, and micro-tasking, have created both unprecedented opportunities and persistent challenges for informal workers (Lima & Rangel, 2019). They are often celebrated for their ability to lower barriers to entry, extend access to global markets, and provide flexible employment opportunities (Graham et al., 2017; Oluka, 2024). However, to ensure representativeness, this review also incorporates broader regional perspectives, particularly from African and Latin American contexts, where informal labor dominates and platform economies display distinct regulatory and cultural dynamics. At the same time, debates persist about precarious work conditions, insufficient social protection, and the lack of comprehensive regulatory frameworks to address the complex realities of platform-mediated labor (Arruda & Arruda, 2024; Hackl & Najdi, 2023).

The emergence of the gig economy epitomizes this duality. Gig work, characterized by flexible and short-term contracts, has enabled millions to engage in income-generating activities outside traditional employment structures. Particularly in regions where informal labor markets dominate, digital platforms offer avenues for marginalized populations to connect with customers directly, circumventing traditional gatekeepers. However, while these platforms promise empowerment, the realities often reveal unstable income, inadequate access to health and social benefits, and limited opportunities for career progression (Rodríguez-Modroño et al., 2023). This tension underscores the necessity of critically examining how digital platforms shape labor dynamics in contexts already marked by structural vulnerabilities.

In developing countries, the gig economy has exhibited growth patterns distinct from those observed in developed economies. While platform adoption in advanced economies has largely stabilized, many regions across Asia, Africa, and Latin America are witnessing rapid expansion of platform-mediated work. Research highlights that in some contexts particularly in Southeast Asia and sub-Saharan Africa gig work has expanded at an average annual rate of approximately 15%, reflecting both demand for flexible services and the limited availability of secure formal employment in transportation, digital commerce, and creative sectors (Tolegen et al., 2024). Yet, this dynamism is tempered by volatility, as workers in these regions often face greater economic vulnerability than their counterparts in developed nations. Stronger support structures, including standardized contracts and clearer consumer protections, are more prevalent in developed economies, highlighting the disparities that shape workers' experiences across geographic boundaries (Gurumurthy, 2024; Rodríguez-Modroño et al., 2023).

The economic promise of digital platforms is further complicated by infrastructural and social barriers. The digital divide remains a significant obstacle, with many informal workers unable to fully engage due to inconsistent internet access and inadequate digital literacy skills (Arruda & Arruda, 2024; Döhring et al., 2021). These constraints are compounded by entrenched social inequalities. Women and marginalized groups, who constitute a significant portion of the informal workforce, often encounter gender bias, discriminatory practices, and socioeconomic limitations that reduce their ability to benefit from gig work opportunities (Rodríguez-Modroño et al., 2023). Moreover, the inherently transitory nature of gig work leads to unstable earnings and weakens long-term incentives for skills development and career investment (Banik & Padalkar, 2021). These challenges reveal a complex interplay between opportunity and vulnerability that defines the platform economy in developing contexts.

The regulatory environment adds another layer of complexity. Many developing countries lack coherent frameworks to govern platform work, leaving workers without essential protections such as minimum wage guarantees, health insurance, or unemployment benefits (Graham et al., 2017; Rodríguez-Modroño et al., 2023). Platforms frequently position themselves as intermediaries rather than employers, thus circumventing traditional labor responsibilities. This ambiguity facilitates exploitative practices, including opaque contractual arrangements and limited recourse in disputes. The absence of robust protections not only exposes workers to heightened risks but also undermines the potential for digital platforms to contribute meaningfully to sustainable and equitable development. Scholars emphasize that adaptive, forward-looking policies at both

national and international levels are urgently needed to reconcile the tension between innovation and labor security in the digital age (Hackl & Najdi, 2023).

Despite the growing body of research, significant knowledge gaps remain. Much of the existing literature has focused on developed economies, where regulatory infrastructures and social safety nets are relatively stronger. Consequently, the unique dynamics of platform-mediated labor in developing countries remain underexplored, particularly regarding the intersection of digital platforms with informal employment systems. There is limited evidence addressing how regional disparities, gender inequalities, and infrastructural divides shape the lived experiences of platform workers in the Global South (Rodríguez-Modroño et al., 2023). This gap underscores the importance of conducting systematic reviews and analyses that prioritize the contexts where informal work is most prevalent.

The purpose of this narrative review is to synthesize current research on the economic impacts of digital platforms on informal labor markets in developing economies. Specifically, it seeks to examine how platforms create new opportunities for employment and entrepreneurship, while simultaneously introducing challenges related to precarity, social protection, and inequality (Autio et al., 2025). This review will also explore the intersectional dimensions of platform work, considering how factors such as gender, migration status, and geographic location influence workers' experiences. By analyzing these dynamics, the review aims to provide a holistic understanding of both the promise and pitfalls of digital platforms within informal labor contexts (Omer & Redlich, 2025).

The scope of this review is global in outlook but focuses particularly on developing regions where informal labor constitutes a substantial share of the economy. These include countries across Asia, Africa, and Latin America, where digital platforms are rapidly expanding into everyday economic practices. Attention is given to the socio-economic conditions that shape the adoption and impact of platforms, with comparative perspectives drawn from developed economies to contextualize findings. Through this approach, the review situates platform-mediated labor within broader debates on sustainable development, equity, and digital transformation (Rai et al., 2024). Ultimately, the analysis seeks to inform both academic scholarship and policy discussions aimed at fostering inclusive growth in the platform economy.

METHOD

The methodological framework for this narrative review was designed to ensure a rigorous, transparent, and replicable process of literature collection, selection, and evaluation. Given the interdisciplinary nature of the platform economy and its impact on informal labor markets, the review process encompassed a diverse set of academic databases, carefully formulated search strategies, and clearly defined inclusion and exclusion criteria. The ultimate aim was to synthesize findings across multiple disciplines, including economics, labor studies, digital sociology, and public policy, thereby providing a comprehensive understanding of the economic effects of digital platforms on informal labor markets in developing countries.

The initial stage of the literature collection process involved identifying appropriate databases for retrieving relevant studies. Scopus and Web of Science were prioritized due to their extensive coverage of peer-reviewed journals, advanced citation analysis tools, and cross-disciplinary indexing (Cai et al., 2021; Oluka, 2024). Both databases are recognized for their ability to capture high-impact and emerging scholarship, which is critical for a rapidly evolving field such as the platform economy. Scopus provided a broad scope with substantial coverage of social sciences and economics, while Web of Science contributed depth in citation tracking, which helped trace the evolution of research trends and scholarly debates. Google Scholar was also employed as a complementary source, offering access to a wider variety of documents, including theses, conference proceedings, working papers, and policy reports (Graham et al., 2017). While its lack of indexing rigor and potential inclusion of non-peer-reviewed material posed limitations, it was particularly useful for capturing gray literature and regional studies that may not be indexed in more selective databases. PubMed, by contrast, was not considered a primary source for this review due to its primary focus on biomedical and health sciences, which rendered it less relevant for the socio-economic orientation of this study (Rodríguez-Modroño et al., 2023).

The second stage involved the development of a systematic search strategy using carefully constructed keywords and Boolean operators to maximize both sensitivity and specificity of search results. The key terms selected included “gig economy,” “digital platforms,” “informal labor,” “platform economy,” and “worker protection.” To capture studies situated at the intersection of these themes, search strings combined terms in different permutations, such as “gig economy AND digital platforms,” “informal labor AND platform economy,” and “digital platforms AND worker protection.” The use of Boolean operators facilitated refined searching: the operator AND was used to narrow results by requiring the presence of multiple keywords, OR was applied to capture synonyms and related terms, while NOT was used to exclude irrelevant domains such as purely biomedical research not connected to labor markets. Chan (2023) Truncation and wildcard symbols were occasionally applied to account for variations in spelling and terminology, such as “labor/labour” or “platform*” to capture “platform,” “platforms,” and “platformization.” The search strategy was iterative, with preliminary results analyzed to refine subsequent queries, ensuring comprehensive coverage of relevant literature while minimizing irrelevant hits (Oluka, 2024).

Inclusion and exclusion criteria were then established to maintain the quality and relevance of the review. Studies were included if they met several conditions: they were published in peer-reviewed journals, conference proceedings, or recognized policy reports; they explicitly addressed the relationship between digital platforms and informal labor markets; and they provided empirical data, theoretical models, or policy analysis relevant to developing economies. Literature published between 2010 and 2024 was included to reflect the period in which platform economies gained prominence and began to impact labor dynamics significantly. Studies that focused exclusively on developed economies without providing comparative or generalizable insights for developing contexts were excluded unless they offered theoretical contributions applicable to broader labor market debates. Similarly, articles that dealt narrowly with technical aspects of platform design without addressing labor market outcomes were excluded. Non-English studies were excluded due

to language limitations, though efforts were made to include English-language research analyzing non-English-speaking regions.

The types of studies incorporated into the review were intentionally diverse, reflecting the interdisciplinary scope of the research question. Empirical studies, including quantitative analyses such as surveys, econometric modeling, and panel data studies, were included for their ability to provide measurable evidence of labor market impacts. Qualitative studies, such as ethnographies, in-depth interviews, and case studies, were also incorporated to capture the lived experiences of platform workers and contextualize statistical findings. Comparative cross-country analyses, narrative reviews, and systematic reviews were considered valuable for providing broader perspectives on global trends and regulatory frameworks. Finally, policy papers and reports from reputable international organizations were included to complement academic findings with policy-oriented insights. This methodological breadth ensured a holistic understanding of both the structural and individual-level effects of digital platforms.

The process of literature selection followed a multi-stage approach. Following the initial retrieval of search results, duplicate records across databases were removed using reference management software. The remaining titles and abstracts were screened to assess their relevance to the review objectives. Studies that did not explicitly address digital platforms, gig economy work, or informal labor markets were excluded at this stage. For the articles that passed the initial screening, full-text versions were obtained and read thoroughly to evaluate methodological rigor, scope of analysis, and relevance of findings. Studies were excluded if they lacked sufficient methodological transparency, presented anecdotal evidence without analytical grounding, or focused narrowly on contexts that were not transferable to the realities of developing economies. Quality appraisal was conducted by evaluating study design, clarity of data presentation, and robustness of conclusions, ensuring that included studies provided substantive contributions to the review.

The final corpus of literature thus represented a carefully curated collection of studies that balanced empirical evidence, theoretical insights, and policy relevance. The synthesis process involved organizing findings into thematic categories aligned with the research objectives, including opportunities for employment creation, challenges of precarity and lack of social protection, gender and migrant labor dynamics, and regional disparities shaped by infrastructural divides. Each study was evaluated not only for its individual contributions but also for how it situated within broader debates on labor markets, digitalization, and development. This thematic synthesis facilitated the identification of patterns, divergences, and gaps in the existing body of knowledge, which in turn informed the subsequent analysis and discussion.

Overall, the methodological approach of this review combined the strengths of multiple academic databases, strategic keyword design, stringent inclusion and exclusion criteria, and systematic screening and appraisal processes. By integrating diverse study types and disciplinary perspectives, the methodology ensured that the resulting review captures the complexity of digital platform economies and their multifaceted impacts on informal labor markets in developing countries. This rigorous process enhances the validity and reliability of the findings, while also providing a replicable framework for future research exploring the evolving intersections of technology, labor, and economic development.

RESULT AND DISCUSSION

The findings of this narrative review are organized into four thematic areas that emerged consistently across the literature: the economic opportunities and job creation facilitated by digital platforms, the persistence of precarity and social vulnerability among platform workers, the gendered and migrant labor dynamics within platform economies, and the disparities shaped by digital divides and regional differences. Each theme is grounded in empirical evidence and comparative perspectives, offering insights into how digital platforms affect informal labor markets in developing countries.

Economic opportunities and job creation have become one of the most visible outcomes of the expansion of digital platforms. Research highlights how platforms, particularly in ride-sharing, e-commerce, and freelancing, have opened new employment pathways for individuals excluded from traditional labor markets (Graham et al., 2017). By enabling direct access to consumers and international clients, these platforms broaden the employment horizon for informal workers, reducing dependence on localized economic conditions. Evidence from Tolegen et al. (2024) demonstrates that platform-based employment in developing regions has exhibited consistent annual growth rates of approximately 15%, a striking figure that underscores the vitality of this emerging form of labor. Importantly, these opportunities extend to marginalized populations, including women and low-income groups, who may otherwise lack access to formal employment channels. Empirical data show that workers participating in digital platforms reported measurable increases in monthly income, with many attributing income stability and skill enhancement to sustained engagement with platforms (Tolegen et al., 2024). This trend supports the argument that digital platforms contribute significantly to poverty alleviation by facilitating entrepreneurial ventures such as direct sales and service provision (Graham et al., 2017).

Despite these opportunities, the literature consistently emphasizes the precarious and vulnerable conditions that characterize platform work. Studies reveal that gig workers frequently encounter unstable earnings, a lack of predictable hours, and limited or non-existent access to social protections (Hackl & Najdi, 2023). The absence of benefits such as health insurance, unemployment compensation, and pension contributions places platform workers at heightened financial risk, especially during periods of economic downturn or health crises. Empirical evidence across multiple countries suggests that a substantial proportion of gig workers struggle to secure reliable income, with earnings highly sensitive to fluctuations in market demand and platform algorithms (Hackl & Najdi, 2023). Compared to traditional informal jobs, which may provide some community support or routine stability, platform work tends to fragment labor relations and create isolating experiences that diminish opportunities for collective bargaining (Belinskaia et al., 2020). These findings highlight the paradox of platform-mediated labor: while it offers flexibility and autonomy, it simultaneously entrenches instability, echoing critiques of the broader informalization of labor in developing contexts (Rodríguez-Modroño et al., 2023).

The gendered dimensions of platform economies are particularly pronounced in developing countries. Digital platforms create new opportunities for women to participate in labor markets

by offering flexible arrangements compatible with domestic responsibilities (Rodríguez-Modroño et al., 2023). Platforms for domestic services or online marketplaces have proven especially significant, allowing women to engage in economic activity without completely abandoning traditional roles. However, the literature demonstrates that these gains are tempered by systemic inequalities. Gurumurthy (2024) notes that algorithm-driven job allocation frequently reproduces existing gender biases, resulting in lower pay and reduced opportunities for female workers compared to male counterparts. Furthermore, gendered disparities in access to digital literacy and financial resources exacerbate these inequities, leaving many women in vulnerable and exploitative positions. Thus, while platforms can enhance women's labor participation, they rarely dismantle structural barriers to equality.

Migrant workers' experiences on digital platforms reflect a similar mix of opportunity and exploitation. On one hand, platforms provide migrants with access to employment channels that may be otherwise unavailable due to legal or social barriers (Rodríguez-Modroño, 2024). These opportunities can help migrants overcome geographic and institutional constraints, broadening their employment prospects. On the other hand, evidence indicates that migrant workers are often subjected to discriminatory practices, including lower pay rates and fewer protections compared to local workers performing the same tasks (Rodríguez-Modroño, 2024; Graham et al., 2017). The transient and informal nature of gig work complicates collective organizing and advocacy for rights, leaving migrants particularly vulnerable to exploitation. These dynamics underscore the urgent need for policy frameworks that address both the unique vulnerabilities of migrants and the broader precariousness of platform work.

Digital divides and regional disparities constitute another central theme in the literature. Access to infrastructure and technology is uneven across developing countries, with urban areas generally enjoying better connectivity and digital literacy than rural counterparts (Tolegen et al., 2024). As a result, urban populations are more likely to capitalize on the economic opportunities offered by platforms, while rural populations remain marginalized. Studies show that urban workers not only participate more actively in platform economies but also achieve higher income gains, thereby widening urban-rural income gaps (Tolegen et al., 2024). This disparity highlights the structural inequalities that persist in platform adoption, which in turn reflect broader socio-economic divides.

When contrasted with developed countries, the differences in platform integration become even more apparent. In developed nations, regulatory frameworks tend to provide at least partial protections for platform workers, mitigating some of the risks associated with precarious employment (Oluka, 2024). These frameworks often include minimum wage laws, clearer contractual obligations, and mechanisms for dispute resolution. By contrast, in developing countries, the rapid expansion of platforms has outpaced regulatory oversight, creating conditions where workers are exposed to greater economic vulnerabilities (Oluka, 2024). Artero et al. (2020) note that the digital divide compounds these vulnerabilities, as large segments of the population in developing economies remain excluded from platform participation altogether. While developed countries position platforms as vehicles for innovation and productivity, developing countries face the dual challenge of leveraging platforms for growth while simultaneously addressing the exclusions and inequalities they generate.

Taken together, these findings paint a nuanced picture of the platform economy in developing countries. Digital platforms undeniably generate opportunities for employment and income growth, yet they also exacerbate precariousness, reinforce social inequalities, and magnify regional disparities. Gender and migration status emerge as critical factors shaping workers' experiences, while infrastructural divides condition the extent to which different populations can benefit from platform engagement. These results highlight the complex interplay between opportunity and vulnerability that defines platform-mediated labor in informal markets, underscoring the need for policies that balance innovation with equity and protection.

The findings of this review highlight the complex and ambivalent role that digital platforms play in shaping informal labor markets in developing economies. Understanding these dynamics requires a theoretical grounding in labor economics, particularly through the lenses of dual labor market and segmented labor market theories. These frameworks provide a foundation for interpreting the precarious and often contradictory outcomes observed in platform economies, where workers are simultaneously empowered with opportunities and constrained by systemic vulnerabilities.

The dual labor market theory, which distinguishes between stable employment in the formal sector and precarious employment in the informal sector, is especially relevant in the context of platform-mediated work. Digital platforms often reinforce the segmentation of labor markets by positioning platform work as inherently temporary and flexible, but rarely secure (Rodríguez-Modroño et al., 2023). Workers who engage in gig work frequently find themselves excluded from benefits and protections associated with the formal sector, perpetuating cycles of vulnerability. Graham et al. (2017) argue that while platforms can expand access to employment opportunities, they also intensify the fragmentation of labor relations, placing workers in an environment characterized by weak bargaining power, low wages, and minimal protections. This mirrors the informal economy's broader characteristics, where employment is abundant in numbers but deficient in stability and social safeguards.

Segmented labor market theory further clarifies how platform work exacerbates existing inequalities. Workers from marginalized backgrounds—including women, migrants, and low-income individuals—are disproportionately represented in the most precarious forms of platform employment. As demonstrated by Gurusurthy (2024), algorithm-driven job allocation reproduces systemic inequalities by assigning women and marginalized groups to less lucrative and more insecure tasks. This segmentation not only reinforces disparities within the labor market but also perpetuates the structural barriers that hinder upward mobility. The theoretical framing thus underscores that platform economies are not neutral disruptors but active agents in reproducing segmented patterns of labor vulnerability.

Beyond theoretical analysis, the implications of these findings for policy are significant. Comparative studies across countries consistently emphasize the need for comprehensive regulatory frameworks that address the unique challenges of platform work. Oluka (2024) stresses that regulatory interventions must prioritize the protection of platform workers' rights by establishing enforceable minimum wage standards, extending access to social security, and preventing discriminatory practices. These measures are particularly urgent in developing

economies, where weak institutional capacity often leaves workers exposed to exploitation. Additionally, policies should promote fair and transparent practices by digital platforms, ensuring clarity in contracts and accountability in algorithmic management. International cooperation is also critical, given the cross-border nature of platform labor. Workers frequently engage with multinational platforms that operate beyond the jurisdiction of a single country, necessitating coordinated efforts to standardize protections and prevent regulatory arbitrage (Oluka, 2024).

Strengthening collective organization within the platform economy presents another avenue for improving working conditions. As Tolegen et al. (2024) note, worker associations and digital unions have the potential to enhance bargaining power and provide platforms for advocacy. However, the fragmented and individualized nature of gig work makes traditional unionization difficult. Innovative organizational models that leverage digital tools to connect workers, share information, and negotiate collectively could mitigate some of these challenges. Policymakers and labor organizations should therefore consider supporting these emerging forms of worker representation as part of broader efforts to promote equity in the platform economy.

Systemic factors also play a critical role in shaping the vulnerabilities identified in the results. The digital divide, as highlighted by Tolegen et al. (2024), limits the capacity of rural populations and marginalized communities to participate in platform economies, thereby widening regional and socio-economic disparities. This divide is not merely technological but also educational, as inadequate digital literacy prevents workers from fully leveraging the opportunities platforms provide. Moreover, entrenched gender norms and migration policies intersect with platform economies to perpetuate exclusion. Rodríguez-Modroño (2024) documents how migrant workers face additional barriers such as discrimination and wage disparities, which are exacerbated by the transient and informal nature of gig employment. Addressing these systemic issues requires policies that go beyond regulating platforms, encompassing investments in digital infrastructure, education, and social inclusion initiatives.

The broader discourse on sustainable development further situates the findings within global policy debates. Graham et al. (2017) emphasize that while digital platforms contribute to economic transformation, they must also be aligned with the principles of equity and sustainability. Without adequate regulation and systemic interventions, platform economies risk deepening socio-economic divides and undermining inclusive growth objectives. Conversely, with appropriate safeguards, platforms could serve as vehicles for poverty alleviation, entrepreneurship, and labor market integration for marginalized populations. Rai et al. (2024) highlight that nuanced, context-specific strategies are essential to ensure that platform economies contribute positively to sustainable development goals, particularly in developing regions where informal labor predominates.

Despite the valuable insights provided by the literature, significant methodological limitations remain. Many studies of platform economies are cross-sectional, capturing snapshots of worker experiences without accounting for longitudinal dynamics (Rodríguez-Modroño, 2024). This limitation restricts the ability to assess how workers' conditions evolve over time, particularly as they transition between different forms of employment or as platforms adjust their policies. Yang et al. (2022) note that the absence of long-term data hampers the evaluation of career trajectories

and the cumulative effects of precarious employment on financial stability and social mobility. Furthermore, assumptions of homogeneity among platform workers obscure important differences based on gender, migration status, and socio-economic background (Zhang et al., 2023). Future research must therefore adopt more sophisticated methodological approaches that account for these variations.

Mixed-methods research offers a promising path forward, combining the strengths of quantitative and qualitative approaches to capture both the breadth and depth of platform labor experiences. Longitudinal surveys, for example, could track income stability, health outcomes, and career progression among gig workers over time, while ethnographic case studies could illuminate the lived realities of specific groups such as women or migrants in particular regional contexts. Döhring et al. (2021) argue that developing robust indicators for measuring the economic and social impacts of platform economies is essential for evidence-based policymaking. Moreover, comparative studies across regions with varying levels of digital infrastructure and regulatory capacity could identify best practices and highlight areas requiring greater intervention.

Another methodological gap lies in the limited exploration of platform business models across different contexts. While much of the literature focuses on large multinational platforms, smaller regional or sector-specific platforms may operate under different conditions and have distinct implications for informal labor markets. Investigating these variations could provide valuable insights into how local contexts shape platform economies and reveal strategies for mitigating precarity while maximizing opportunity (Oluka, 2024). Additionally, greater attention to algorithmic management practices is needed, as these systems play a central role in determining workers' access to jobs, remuneration, and performance evaluation. Understanding the implications of algorithmic control for fairness, transparency, and equity remains an important area for future inquiry.

Overall, the discussion demonstrates that the expansion of digital platforms in developing economies cannot be understood solely as a technological transformation. Instead, it must be analyzed through the interplay of labor market theories, systemic inequalities, and regulatory frameworks. By situating the findings within these broader theoretical and policy debates, it becomes evident that platform economies represent both an opportunity and a challenge for informal labor markets. Effective interventions will require not only targeted regulation of platforms but also broader structural reforms that address the digital divide, gender inequality, and migrant vulnerabilities.

CONCLUSION

This narrative review demonstrates that digital platforms have profoundly reshaped informal labor markets in developing economies, producing both significant opportunities and enduring vulnerabilities. On the one hand, platforms create new employment avenues, increase income potential, and expand entrepreneurial opportunities, particularly for marginalized groups traditionally excluded from formal labor markets. Evidence shows consistent growth in platform-based employment, with workers reporting increased earnings and skill enhancement. On the other

hand, these opportunities are tempered by precarious conditions, including income instability, limited access to social protections, and algorithm-driven inequalities that disproportionately affect women and migrant workers. Furthermore, regional disparities rooted in the digital divide exacerbate inequalities, leaving rural populations at a disadvantage compared to their urban counterparts.

The urgency of addressing these challenges lies in the growing reliance on digital platforms as engines of economic development. Without targeted interventions, platform-mediated labor risks perpetuating existing inequities and deepening precarity within informal labor markets. Policymakers must prioritize comprehensive regulations that extend labor rights, minimum wage protections, and social security to platform workers, alongside investments in digital infrastructure and literacy programs. Strengthening worker organization and promoting fair and transparent platform practices are also critical for ensuring inclusive growth. Future research should adopt longitudinal and mixed-method approaches to capture the evolving dynamics of platform labor, while also examining diverse business models and algorithmic management practices across different contexts. Addressing these gaps will be essential for developing informed policies that balance innovation with equity. Ultimately, bridging digital divides, empowering marginalized groups, and enhancing social protections represent central strategies for fostering sustainable and inclusive platform economies.

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