

Revisiting Ambedkar's Vision of Economic Democracy: A Critical Analysis of India's Gig-Economy in the 21st Century

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ABSTRACT

Dr. B. R. Ambedkar's vision of economic democracy rooted in equality, dignity, and the right to secure and meaningful work to critically analyse the conditions of India's growing platform-based workforce. The rise of India's gig economy in the 21st century has redefined the nature of labour, generated new opportunities while simultaneously produced unprecedented forms of precarity and exclusion. This study uses Ambedkar's principles of social justice, state responsibility, and labour protection to examine how food delivery agents, ride-hailing drivers, hyperlocal service providers, and other gig workers navigate an ecosystem shaped by algorithmic management, unstable income, and lack of social security. The study argues that operationalising Ambedkar's vision requires a framework based on right that includes universal social protection, collective bargaining mechanisms, algorithmic transparency, and legal recognition of gig workers as employees. The findings reveal significant gaps in regulation, widespread informalisation, and persistent vulnerabilities representing the very labour conditions Ambedkar sought to reform. This article offers a critical and timely contribution to understanding the socio-economic implications of platform work in India's digital era.

Keywords: Ambedkarite Philosophy, Economic Democracy, Gig Economy, Labour Rights.

1. INTRODUCTION

The nature of work in India is changing rapidly. Over the last decade, millions of young people have begun earning their livelihoods not in traditional offices or factories, but through mobile applications and digital platforms. As reported by NITI Aayog (2022), India had nearly 7.7 million gig workers in 2020–21, and this number is expected to rise sharply to 23.5 million by 2029–30. This makes platform-based work one of the fastest-growing segments of employment in the Global South. For many workers especially youth, migrants, and those from economically weaker backgrounds the gig economy offers an accessible entry point into income generation. Flexibility and low entry barriers are often presented as its biggest strengths. However, beneath this promise of flexibility lies a more complex and uncertain

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Published: 24 February 2026

DOI: <https://doi.org/10.70558/IJSSR.2026.v3.i1.30861>

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reality. A growing body of research points to the structural vulnerabilities embedded in Platform based work. Gig workers frequently face irregular and unpredictable incomes, long working hours, and the absence of guaranteed minimum wages or stable contracts. Social security protections such as health insurance, pension benefits, and accident coverage remain limited or inconsistently implemented (ILO, 2021; Wood et al., 2019). These systems are often opaque, leaving workers with little clarity or bargaining power regarding how decisions affecting their livelihoods are made. The legal position of gig workers in India also remains uncertain. While recent labour reforms, including the Social Security Code (2020), have acknowledged platform and gig workers as a distinct category, implementation gaps and limited enforcement mechanisms continue to restrict meaningful protection (Ministry of Labour & Employment, 2020; Kumar & Nayar, 2022). As a result, many gig workers remain in a grey zone without any formal recognition as employees or protected adequately as independent workers. In this context this article examines India's gig-economy workforce through an Ambedkarite lens to assess how far the realities of 'platform-based' labour align with the principles of economic democracy. In this study Ambedkar's theoretical insights are combined with contemporary labour conditions, and it aims at contributing to the ongoing discourse on digital work, rights, and social justice in modern India.

2. THEORETICAL FRAMEWORK

Dr. B. R. Ambedkar's economic philosophy is rooted in the idea that political democracy cannot survive without economic democracy, a condition where individuals enjoy not only political rights but also economic security, dignity, and equal access to opportunities. In *States and Minorities* (Ambedkar, 1947/2014), he argued that labour must be protected from exploitation through state intervention, social safeguards, and legally enforceable rights.

Ambedkar's concept of economic democracy rests on four pillars such as:

2.1 Social and Economic Security: Ambedkar insisted that a just society requires guaranteed employment, fair wages, and social protection systems. His critique of unregulated capitalism emphasized the dangers of leaving workers vulnerable to market fluctuations, a concern strongly found in the gig economy's unstable wage structures.

2.2 State Responsibility and Labour Protection: Ambedkar advocated for the state's active role in ensuring worker welfare. His proposal for "state socialism" (Ambedkar, 1947/2014) included public ownership of key industries to safeguard labour rights. While India isn't pursuing state socialism any longer, his emphasis on state-regulated labour markets remains relevant today, especially where digital platforms operate with minimal oversight.

2.3 Dignity of Labour: Ambedkar believed that meaningful work is central to human dignity. Gig workers, however, often face algorithmic surveillance, lack of grievance mechanisms, and arbitrary deactivations, undermining the dignity and autonomy of labour (NITI Aayog, 2022). Thus, Ambedkar's framework offers a critical normative benchmark for evaluating whether India's gig economy promotes or undermines economic democracy.

2.4 Equality and the Eradication of Structural Inequality: Ambedkar viewed caste-based and economic inequalities as interconnected. Contemporary research indicates that

marginalized groups Dalits, Adivasis, and Muslims are disproportionately represented in precarious gig work (Chaudhary, 2023). This alignment reveals how gig economies can reproduce structural inequalities Ambedkar sought to eliminate.

3. PLATFORM CAPITALISM AND THE GIG ECONOMY

To examine the structural dynamics of gig work, this study relies on the theoretical lens of platform capitalism, a term popularized by Nick Srnicek (2017). Platform capitalism refers to business models where digital platforms mediate transactions, extract data, and control labour markets through algorithmic systems.

3.1 Algorithmic Management: Gig workers' tasks, earnings, and incentives are governed by algorithms that track productivity, assign tasks, and evaluate performance. Research shows that algorithmic management significantly reduces worker autonomy and increases psychological stress (Wood et al., 2019). Unlike traditional employment, workers cannot negotiate terms, challenge decisions, or access transparent rules.

3.2 Informalisation of Digital Labour: While digital platforms project themselves as innovators, labour scholars argue that gig work is a continuation of informal labour under a digital interface (Kumar & Nayar, 2022). Workers are classified as “partners” or “independent contractors,” allowing companies to evade responsibilities related to wages, insurance, or job security.

3.3 Labour Precarity: The gig economy is characterized by income instability, absence of minimum wages, lack of social security, and informal contracts. According to the International Labour Organization (ILO, 2021), Over 70% of gig workers globally report inconsistent income. More than 60% lack social protection. Many work 10–12 hours daily to sustain basic livelihoods. In India, gig workers' average earnings fell by 8–23% between 2019 and 2022 due to rising fuel costs and changing platform incentives (Fairwork India Report, 2022).

4. CRITICAL ANALYSIS OF INDIA'S GIG ECONOMY

India's gig economy has grown rapidly with the expansion of digital platforms in transport, food delivery, logistics, and home services. After 2015, the introduction of smartphones, inexpensive data, venture capital inflows, and urban demand for demand based services (NITI Aayog, 2022). Market access & income entry points in these platforms provide immediate income opportunities for youth, migrants, and those without formal qualifications.

4.1 Algorithmic Control and Opacity: Algorithms control task allocation, dynamic pricing, and punitive actions (deactivations) with little transparency or recourse for workers. This algorithmic management reduces autonomy, replicates Taylorist control, and creates new zones of managerial power without accountability (Wood, Lehdonvirta, & Graham, 2019; Graham et al., 2020).

4.2. Employment Misclassification and Legal Ambiguity: The dominant classification of workers as “independent contractors” deprives them of statutory protections namely minimum wage, social security and collective bargaining. The Code on Social Security (2020) recognises

gig workers but lacks robust implementation mechanisms and employer contribution norms (Ministry of Labour & Employment, 2020; Kumar & Nayar, 2022).

4.3. Precarity and Income Instability: Gig work is marked by unstable earnings; many workers earn below living wages after costs for fuel, vehicle maintenance and data are deducted (Fairwork India, 2022). ILO findings underline global patterns of income volatility and lack of social protection among platform workers (ILO, 2021).

4.4 Reproduction of Social Inequalities: Platform work often absorbs marginalised labour like Dalits, migrants, and economically weaker groups into low paid tasks, reinforcing existing caste and class inequalities (Chaudhary, 2023). Rating systems on the other hand perpetuate customer biases, worsening the exclusion.

4.5. Inadequate Social Protection & Welfare Infrastructure: Despite legal recognition, comprehensive and enforceable social protection schemes like healthcare, pension, and unemployment cover are largely absent or fragmented. The welfare initiatives, funded by different platforms, are often ad hoc and nonportable (Kumar & Nayar, 2022; ILO, 2021).

5. IMPLICATIONS FOR LABOUR JUSTICE AND AMBEDKARITE VALUES

India's rapidly expanding gig economy estimated to reach 23.5 million workers by 2030 (NITI Aayog, 2022) poses significant challenges to labour justice, particularly in relation to the principles articulated by Dr. B.R. Ambedkar. A core concern is the absence of formal labour rights, including job security, minimum wages, occupational safety, and social protections. Surveys by APU and FES (2023) reveal that over 74% of Indian gig workers earn below living wages, while 81% lack access to social security benefits, highlighting a structural power imbalance between workers and platform companies. This condition undermines Ambedkar's principle that democracy must guarantee "the right to livelihood and conditions of dignified labour" (Ambedkar, States and Minorities, 1947). Another defining feature of platform capitalism is algorithmic management that further creates digital hierarchies. The gig economy's opaque technological governance model also conflicts with Ambedkar's emphasis on fraternity and social cooperation, replacing human negotiation with impersonal metrics and automated surveillance (Kantor & Sundararajan, 2020). At a policy level, recent state level social security initiatives and the Code on Social Security (2020) represent gradual progress, but implementation gaps persist. Without enforceable protections, Ambedkar's ideal of economic democracy remains unrealized.

6. POLICY RECOMMENDATIONS

The ensuring of labour justice in India's gig economy, aimed to reach 23.5 million workers by 2030 (NITI Aayog, 2022) requires policy reforms grounded in Dr. B.R. Ambedkar's vision of economic democracy, dignity of labour, and institutional protection for vulnerable workers.

6.1. Enforceable Minimum Wages & Social Security: Despite recognition under the Code on Social Security (2020), 81% of gig workers lack social protection and 74% earn below living wages (APU–FES Survey, 2023). Thus, Policies must ensure statutory minimum wages across gig sectors, universal insurance and pension coverage along with activation of the National

Social Security Board with enforcement power. This aligns with Ambedkar's proposal for state-guaranteed economic rights (Ambedkar, *States and Minorities*, 1947).

6.2. Algorithmic Transparency & Worker Protection: Platform algorithms determine pay, ratings, and deactivation, often without due process. The ILO (2021) highlights that over 40% of gig workers report arbitrary algorithmic penalties. Hence, mandatory measures should include disclosure of wage metrics, human appeal mechanisms, and anti-discrimination audits.

6.3. Collective Bargaining Rights: Gig workers' "independent contractor" status prevents unionization. Following models like Spain's Rider Law (2021), India should also legally recognize gig unions, create sectoral bargaining councils. Ambedkar believes that collective action and organised labour force are key tools for achieving equality.

6.4. Portable Benefits System (PBS): A worker linked digital benefits ID enabling portability across platforms should integrate insurance, pensions, and welfare schemes. Evidence from the U.S. and EU shows PBS systems reduce income volatility by 20–25% (OECD, 2022).

7. CONCLUSION

India's gig economy has emerged as a defining pillar of 21st-century labour markets, employing nearly 7.7 million workers and projected to reach 23.5 million by 2030. The analysis shows that the absence of enforceable social protection, algorithmic opacity, and weak regulatory oversight has produced a new class of "digitally dependent labour." Evidence from APU-FES (2023), ILO (2021), and OECD (2022) confirm the persistence of low wages, long working hours, and discriminatory algorithmic practices. Embedding Ambedkarite values within digital labour governance is not only a moral imperative but also an economic necessity for ensuring sustainable and equitable development. These structural vulnerabilities contradict Ambedkar's principles of institutional safeguards, equality of opportunity, and worker empowerment, making labour justice the central challenge of India's platform economy. Ultimately, the future of India's gig economy depends on whether policymakers, digital platforms, and civil society can reorient the system towards fairness and human dignity. By aligning labour regulation with Ambedkar's democratic ethos offers a roadmap for building a gig economy that uplifts workers, reduces structural exploitation, and advances India toward a more just and egalitarian digital future.

Declaration:

The Authors declares that there is no conflict of interest related to the research, authorship or publication of this article.

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