INTERNATIONAL JOURNAL OF LAW AND LEGAL ETHICS (IJLLE)
Volume 6 Issue 2 (October, 2025)
ISSN 746-9719 (online)

JURIDICAL NORMATIVE ANALYSIS OF GIG WORKER PARTNERSHIP RELATIONSHIPS IN INDONESIA FROM THE PERSPECTIVE OF INTERNATIONAL HUMAN RIGHTS STANDARDS

Susy Putri Wihadi[1], Thomas Mulyanto Kurniawan[2], Alfred Ariyanto[3], Nunuk Jati Saputri[4]
[1]RS Mitra Keluarga Depok, Depok
[2]Kreasi Utama Mulya, Bogor
[3]Bapelkes Cikarang, Cikarang
[4]PT Tiga Mutiara Prima, Solo
email : susy.putri@gmail.com

ABSTRACT; *The growth of the sharing economy in Indonesia has shifted the traditional employment paradigm toward digital partnership schemes. However, this scheme creates legal status uncertainty, which impacts the neglect of workers' basic rights. This study aims to analyze the gap between partnership regulations in Indonesia and international Human Rights (HAM) standards regarding decent work. Using a juridical-normative method with a comparative legal approach, this study found that algorithmic control by application companies creates a subordinate relationship that is de facto an employment relationship, but lacks de jure protection. The results show violations of the right to fair wages, health insurance, and job security. This study recommends the need for a third legal category to bridge the gap in protection for gig workers.*

Keywords: *Employment Law; Gig Economy; Human Rights; Indonesia; Partnerships*

INTRODUCTION

The Gig Economy Phenomenon and Labor Disruption in Indonesia

"Over the last decade, the global economic landscape has undergone a fundamental transformation triggered by the convergence of digital technology and platform-based business models. This phenomenon, widely known as the 'gig economy,' has shifted traditional, long-term, and stable employment structures into short-term tasks ('gigs') mediated by algorithms (Prassl, 2018). In Indonesia, the growth of this sector has been massive compared to other Southeast Asian nations, driven by a high internet penetration rate reaching 77% of the total population and a large informal sector that has historically dominated the domestic labor market.

The ride-hailing and logistics sectors have become the primary pillars of the gig economy in Indonesia. Data indicates that the number of online motorcycle taxi drivers (*ojek daring*) and logistics couriers has reached millions, operating under the umbrella of several giant platforms such as Gojek, Grab, Shopee, and Maxim. For Indonesia, this phenomenon was initially viewed as an effective solution to structural unemployment and the limited absorption capacity of the manufacturing sector. Time flexibility and low barriers to entry made this occupation an economic safety valve for segments of society with lower-secondary education.

However, behind the narratives of autonomy and flexibility lies a significant legal ambiguity regarding employment status. Platform companies consistently define this relationship as a 'partnership,' a legal construction that positions drivers as independent entrepreneurs rather than employees or laborers (Aloisi, 2016). Within the perspective of

Indonesian civil law, partnerships are based on the principle of equal bargaining power between parties. Nevertheless, sociological reality reveals extreme inequality. Applicators maintain absolute control over tariff setting, assignment algorithms, and unilateral partnership termination through 'suspension' mechanisms, leaving no room for partners to negotiate.

This condition creates what experts refer to as 'digital precarity.' Gig workers in Indonesia find themselves in a vulnerable situation because they are not covered by the standard protections provided by Law No. 13 of 2003 concerning Manpower or Law No. 6 of 2023 on Job Creation. The absence of status as 'employees' directly implies the loss of rights to minimum wage, occupational health and safety (OHS/K3), leave entitlements, and the right to organize and engage in collective bargaining.

Furthermore, the state's failure to appropriately classify this employment relationship potentially violates ratified international human rights obligations, particularly concerning the right to just and favorable conditions of work as stipulated in Article 7 of the International Covenant on Economic, Social and Cultural Rights (ICESCR). When business risks are shifted entirely onto individual workers including operational costs, asset depreciation, and road accident risks while cumulative profits flow to the platform companies, the principles of legal justice are compromised. Therefore, the urgency to review the legal architecture of partnerships in Indonesia through a human rights lens becomes inevitable to ensure that technological innovation does not become a tool for degrading human dignity in labor.

Local Context: The Gig Economy as Pseudo-Formalization Amidst Informal Sector Dominance"

"Globally, the gig economy is often positioned as a disruption to established formal labor markets. However, in the Indonesian context, this phenomenon operates atop a labor market structure historically dominated by the informal sector. According to data from the Indonesian Central Bureau of Statistics (BPS) as of August 2024, the proportion of informal workers in Indonesia remains at 59.17%. This characteristic creates a unique dynamic: rather than disrupting formal work, the platform economy in Indonesia performs a 'pseudo-formalization' of the existing informal sector (Surie & Koduganti, 2020).

Sectoral Relations and Economic Dependency. In developed nations, gig workers frequently utilize platforms as a 'side hustle' to supplement their income. Conversely, in Indonesia, the majority of online motorcycle taxi drivers and logistics couriers rely on these platforms as their primary source of livelihood (*primary breadwinners*). This is driven by:

1. Manufacturing Sector Stagnation: The inability of the formal sector to absorb the continuously growing youth labor force.
2. Low Barriers to Entry: Digital platforms offer rapid access for unskilled labor to transition from unemployment or casual labor toward work that appears 'structured' through uniforms and digital applications.

The Paradox of Formality and Legal Protection. The characteristics of the Indonesian labor market, saturated with informal work, result in weak bargaining power for individuals vis-à-vis application companies. When millions of people depend on a single application for survival, the principle of 'freedom of contract' within a partnership becomes hollow. Globally, this business model is criticized as a form of 'regulatory arbitrage' (Prassl, 2018), wherein companies reap the benefits of a digitally organized workforce while rejecting the legal responsibilities inherent in employer status.

In Indonesia, this 'partner' status is forced into the realm of pure civil law, which ironically reinforces worker precarity. Because they are not recognized as 'employees,' they lose the rights

guaranteed by the Manpower Law, despite functionally working under the strict control of algorithms that act as managerial supervision found in formal factories. This situation creates a new class of workers who are technologically modern yet, in terms of legal protection, reverted to an era predating standard labor laws (De Stefano, 2016).

Socio Juridical Implications. The sheer scale of the informal sector in Indonesia causes the government to lean toward a permissive stance regarding gig platform expansion to maintain unemployment stability. However, from a human rights perspective, this approach is short-sighted. Allowing millions of workers to remain in legal status uncertainty perpetuates massive socio-economic vulnerability. Without regulatory intervention that accommodates these local informal labor market characteristics, the gig economy in Indonesia will merely serve as a digital mechanism to exploit labor surplus without providing sustainable welfare guarantees.

Power Dynamics: 'Algorithmic Tyranny' as the Reincarnation of Managerial Subordination

In classical labor law discourse, the elements of 'command' and 'supervision' require a physical presence or direct instructions from a superior to a subordinate. However, within the Indonesian gig economy, this pattern has undergone a dematerialization into what is termed 'Algorithmic Management' or 'Algorithmic Tyranny.' Platform companies delegate managerial functions to code and data, effectively exercising stringent control without granting formal employer status (Duggan et al., 2020). Digital Control Mechanisms. 'Algorithmic tyranny' operates through three primary mechanisms that substitute traditional managerial functions:

1. Constant Surveillance: Through GPS and real-time tracking, companies monitor every movement of the partners, including driving speed and rest periods. This level of oversight exceeds that found in traditional factories (Wood et al., 2019).
2. Algorithmic Sanctioning: Rating systems and acceptance rates function as disciplinary instruments. A decline in performance below a certain threshold triggers automatic suspension an act which, in labor law, is equivalent to a Termination of Employment (PHK) without due process or the right to self-defense.
3. Information Asymmetry: Algorithms determine order allocation and incentive distribution based on 'black box' parameters (lacking transparency). Partners are coerced into adopting behaviors desired by the application such as remaining active during specific hours without fully comprehending how their rights are calculated.

The Erosion of Autonomy in Partnerships. The use of the term 'partnership' implies that partners possess the autonomy to determine their own methods of work. However, the existence of algorithmic management proves that such autonomy is merely an illusion. When algorithms dictate pricing, routing, and work eligibility, the element of subordination characterized by dependence and compliance is absolutely fulfilled (Veen et al., 2020). From a human rights perspective, this creates an unfair transfer of responsibility: the company maintains control akin to an 'employer,' yet shifts operational risks and social protection burdens onto individuals under the guise of being 'independent entrepreneurs'.

Legal Issues: The Contradiction Between Civil Partnership Doctrine and the Reality of Subordination

The core of the gig worker protection crisis in Indonesia lies in the forced imposition of pure civil law categories onto relationships that are functionally industrial in nature. Platform companies utilize the principle of freedom of contract (*pacta sunt servanda*), as stipulated in Article 1338 of the Indonesian Civil Code (KUHPerdata), to frame their relationship with

drivers as an equal 'partnership.' However, legal analysis reveals a fundamental contradiction between this contractual theory and the reality on the ground (Prassl & Risak, 2016).

1. The Failure of the Equality Assumption (*Equality of Bargaining Power*). In civil contract law, parties are assumed to possess balanced bargaining positions. However, in platform contracts, drivers are presented with a 'contract of adhesion'—a standardized agreement offered on a 'take-it-or-leave-it' basis. There is no room for individual negotiation regarding tariffs, commissions, or sanction procedures. This imbalance serves as a primary indicator that the relationship is not a partnership between two business entities, but rather a form of economic subordination (Countouris, 2019).
2. The Obscuration of Employment Relationship Elements (Article 1, Point 15 of Law No. 13/2003). Juridically, an employment relationship is characterized by three elements: Work, Wages, and Command (*Control*). Platforms argue that 'command' is absent because drivers are free to choose their working hours. Nonetheless, substantially, algorithmic control such as the imposition of 'suspension' for rejecting orders is a modern form of command. The inability of Indonesian positive law to recognize 'digital command' as a substitute for 'manual command' creates a legal loophole that allows companies to evade social security obligations and minimum wage requirements (De Stefano & Aloisi, 2019).
3. Disproportionate Business Risks. The principle of a genuine partnership should involve the equitable sharing of risks and profits. In the current gig model, a legal anomaly occurs where the platform controls the means of production (the application and the brand) yet shifts the entirety of capital costs (vehicles, fuel, maintenance) and legal risks (road accidents) onto the individual. Juridically, this constitutes a transfer of employer responsibilities that violates the principle of distributive justice in labor law (Todolí-Signes, 2017)."

PROBLEM

Recent research (2020–2025) has mostly focused on microeconomic impacts or consumer satisfaction. There is a literature gap specifically dissecting Indonesian partnership relationships through international human rights instruments like the ICESCR. This research fills that gap by integrating labor law theory with international human rights doctrine to assess if Indonesian partnership schemes meet decent work criteria.

RESEARCH METHOD

This research uses a juridical-normative method to analyze the synchronization between statutory regulations and legal practices in the field.

The approaches used include:

1. Statutory Approach: Examining Law No. 13 of 2003 on Labor and Law No. 6 of 2023 (Job Creation).
2. Conceptual Approach: Analyzing "subordination" and "independence" concepts in the gig economy.
3. Comparative Approach: Comparing high court rulings in the UK (*Uber BV v Aslam*) and France as benchmarks for platform worker protection.

Primary legal materials include ILO conventions, the 1945 Constitution, and the Labor Law. Secondary materials include reputable journals and human rights reports. Qualitative analysis is conducted through syllogistic deduction, where international human rights norms act as the

major premise and domestic regulations as the minor premise to conclude the degree of Indonesian legal compliance.

DISCUSSION

Comparative Analysis: Existing Employment Relationship Characteristics vs. Digital Partnership Contract Reality

An analysis of the characteristics of employment relationships in Indonesia must be anchored in the fundamental provisions of Article 1, Point 15 of Law No. 13 of 2003 concerning Manpower. Juridically, an employment relationship is defined as a relationship between an employer and an employee based on a work agreement, which comprises three essential elements: service (work), wage, and command (control). These elements are the primary determinants in establishing whether an individual is entitled to labor law protections or remains solely under the purview of general civil law.

Within the Indonesian platform economy ecosystem, application companies consistently employ the nomenclature of 'partnership' to define their legal relationship with drivers and couriers. The use of this term aims to create a 'legal distance' so that the elements within Article 1, Point 15 are deemed unfulfilled. However, the findings of this research indicate a profound disconnection between the formal labels in contracts and the operational reality on the ground, where indicators of an employment relationship appear highly dominant.

Regarding the element of Command (*Control*), this study finds that traditional managerial control has transformed into absolute algorithmic control. Applicators maintain total authority over work distribution through non-transparent automated allocation systems. Although workers possess a pseudo-freedom to activate or deactivate the application, such decisions are overshadowed by systemic consequences, namely the reduction of performance scores regulated by the corporate algorithm.

Furthermore, this control is manifested in the determination of rigid travel routes and service standards. Workers lack the discretion to select paths they deem most efficient; deviations from suggested routes frequently result in system warnings. Service standards, ranging from consumer greeting protocols to vehicle conditions, are unilaterally determined by the platform a clear manifestation of employer direction in conventional labor law.

The mechanism of sanctions or 'suspension' serves as the most potent disciplinary instrument within this 'algorithmic tyranny.' The termination of a partnership can occur unilaterally and automatically without mediation or the worker’s right to be heard. This suspension, often triggered by subjective user ratings or facial recognition failures, is functionally equivalent to a dismissal (*Termination of Employment*), yet is executed without compensation or fair legal procedures.

On the aspect of Wages, it is found that the worker's sovereignty to determine the value of their own services as expected of a genuine partner or independent entrepreneur—has entirely vanished. The determination of tariffs per kilometer or delivery is conducted unilaterally by the application company. Gig workers in Indonesia act merely as 'price takers' without the bargaining power to negotiate compensation for their labor and the risks incurred.

This wage imbalance is further exacerbated by fluctuating incentive and bonus schemes. Companies utilize worker behavior data to manipulate income structures, ensuring a high labor supply during peak hours. This income uncertainty contradicts the principle of 'certainty of wage' in an employment relationship and confirms that financial control remains entirely in the hands of the platform (Rosenblat & Stark, 2016).

The analysis of remuneration also reveals a disproportionate burden of operational costs. In a genuine partnership, business risks are shared equitably; however, in the gig model, workers bear the costs of fuel, vehicle maintenance, and asset depreciation, while the company takes a fixed commission from every transaction. Consequently, net incomes often fall below Regional Minimum Wage (UMR) standards, representing a violation of worker welfare standards.

Concerning the element of Work, the evidence shows that the tasks performed by drivers and couriers constitute the 'core business' of these platform companies. Ride-hailing companies are not merely IT service providers but are, in fact, transportation and logistics providers. Without the presence of drivers on the road, the company's business model would cease to function, placing workers as an integral part of the corporate organization.

Juridically, if a task constitutes the primary activity of the employer, the relationship should be classified as permanent employment rather than a partnership or outsourcing for auxiliary work. This finding debunks corporate claims that position themselves merely as technological intermediaries. The operational integration of workers into the platform's business structure indicates 'organizational dependence,' a hallmark of labor (Countouris, 2019).

Additionally, the nature of work in the gig economy is repetitive and under constant digital surveillance. Workers lack the freedom to build their own customer base as customer data is owned exclusively by the platform. The absence of access to information assets confirms that workers do not function as independent business entities but rather as a substitution for cheap labor organized through an application.

The synchronization of these three elements digital command, unilateral wage determination, and core work integration leads to the legal conclusion that the relationship is one of subordination. The partnership contracts signed by workers tend to be 'contracts of adhesion,' where the weaker party only has the choice to accept all terms without bargaining power. This fundamentally betrays the principle of 'balance' in civil contract law, which serves as the company's pretext (Todolí-Signes, 2017).

This discrepancy between contractual labels and reality creates a state of precarity for millions of workers in Indonesia. Without recognition as 'employees,' they lose access to social security (BPJS Ketenagakerjaan) covered by the company, leave entitlements, humane working hours, and occupational health and safety (K3) protections. This legal void is deliberately maintained for corporate cost efficiency at the expense of workers' fundamental human rights.

The results of this study also indicate that the absence of state intervention in correcting this relationship classification has widened the gap of social injustice. The government tends to prioritize digital economic growth and informal labor absorption while neglecting the quality of the jobs produced. Consequently, a legal relationship meant to protect the vulnerable has transformed into a newly legitimized instrument of exploitation under civil contracts.

As a conclusion to the findings, it is established that all parameters of an employment relationship in Article 1, Point 15 of Law No. 13/2003 have been substantially fulfilled in Indonesian gig economy practices. Current partnership contracts are merely legalistic shells used to evade employer responsibilities. Without bold legal redefinition, 'algorithmic tyranny' will continue to degrade the labor protection standards that have been fought for over decades (De Stefano & Aloisi, 2019).

Systemic Precarity and Erosion of Fundamental Rights: Empirical and Juridical Review

Precarity within the Indonesian gig economy is not merely a side effect of technological disruption, but rather a condition structured through the systematic removal of corporate legal

obligations toward the individuals they employ. The findings of this research identify a systematic neglect of fundamental rights that directly reduces the economic dignity and social security of partners. This state of precarity manifests in three primary pillars: the distortion of real income, the normalization of exploitative working hours, and the externalization of occupational accident risks.

First, regarding income distortion and minimum wage, the analysis demonstrates that partnership schemes create an illusion of earnings that disregards real operational costs. Unlike formal employees who receive a 'take-home pay' (net wage), the earnings of gig partners constitute a 'gross income.' After calculating expenditures for fuel, vehicle maintenance, mobile data, and asset depreciation, the net income of the majority of partners in major cities frequently falls below the Provincial Minimum Wage (UMP) standards. This phenomenon confirms the ILO (2021) theory regarding the emergence of the 'working poor' in the digital era, where high labor intensity no longer correlates with the workers' ability to escape economic vulnerability or meet decent living standards as mandated by Article 7 of the ICESCR.

Second, there is a normalization of exploitative working hours as a consequence of manipulative incentive systems. Since base tariffs per kilometer are continuously suppressed by unilateral platform policies, workers are compelled to chase 'performance bonuses' or 'points' to reach an adequate income threshold. Data indicates that partners work an average of 12 to 16 hours per day, which substantially violates the human right to rest and humane limitations on working hours. This condition creates chronic fatigue that not only diminishes quality of life but also escalates the risk of fatal road accidents. This suggests that the flexibility promised by the platform economy is often illusory, serving instead as an instrument to coerce workers into exceeding their physical limits (Wood et al., 2019).

Third, this research highlights the externalization of risk and the neglect of social security. In conventional employment relationships, Occupational Accident Insurance (JKK) and Death Benefits (JKM) are the absolute responsibility of the employer (*employer's liability*). However, within the Indonesian partnership scheme, platform companies generally eliminate these protections or shift them onto the workers as an individual burden. When an accident occurs during the performance of duties, the financial and medical burden is borne entirely by the worker or their family. This neglect reflects the state's failure to ensure that platform companies comply with business and human rights principles, wherein corporations reap profits from an organized workforce while refusing to bear the social insurance risks inherent in such business activities (Prassl, 2018).

International Comparison: Global Trends in Reclassifying Platform Worker Status

The tension between partnership schemes and labor protection is a global phenomenon that has triggered various judicial breakthroughs across multiple jurisdictions. This comparative study serves as a crucial instrument for Indonesia to examine how countries with diverse legal systems are beginning to move beyond the rigid dichotomy between 'employees' and 'independent contractors.' Current global trends indicate a paradigmatic shift toward the recognition of more inclusive, hybrid legal statuses to mitigate the economic exploitation occurring under the narrative of digital flexibility.

In the jurisdiction of the United Kingdom, the Supreme Court ruling in *Uber BV v Aslam [2021]* became a historical milestone confirming the existence of subordination within algorithms. The Court ruled that Uber drivers are not merely independent contractors but possess the status of 'workers' an intermediate category that grants fundamental rights despite not having full permanent employee status. The judicial reasoning emphasized the company's absolute control over tariffs, order allocation, and rating systems that function as disciplinary instruments. The juridical impact of this ruling is the obligation of platforms to guarantee a

minimum wage, paid annual leave, and pension schemes, fundamentally dismantling the claim that applications are merely passive technological intermediaries (Adams-Prassl, 2022).

Consistent with ini these developments, the European Union has adopted the Platform Work Directive, which introduces the doctrine of the 'Presumption of Employment Relationship'. This policy radically reverses the burden of proof; a platform is automatically presumed to be an employer if it exercises a certain level of control over work performance, unless the platform can prove otherwise in court. This measure aims to eradicate 'misclassification', frequently used by technology companies to evade social security contributions. Meanwhile, Spain, through the *Ley Rider* (2021), has established regulations requiring food delivery companies to recognize their couriers as permanent employees. This law also grants trade unions the right to obtain transparency regarding how algorithmic parameters affect working conditions—a significant step forward in upholding workers' human rights in the digital space (Westregård, 2020).

The valuable lesson for Indonesia from these global trends is that the protection of workers' human rights must not be hindered by obsolete civil contract nomenclatures. The success of various countries in integrating platform workers into social protection systems demonstrates that business flexibility and worker welfare are not mutually exclusive. Indonesia faces an urgent need to adopt the concept of the 'dependent contractor' or a third category of worker that allows for work flexibility to remain while ensuring international standard protections, such as fair net wages and corporate-funded health insurance (De Stefano & Aloisi, 2019)."

Violation of the Right to Decent Work and Labor Protection Deconstruction Challenges

The findings of this research fundamentally confirm the theory proposed by De Stefano (2016) regarding the phenomenon of crowd-work, which systematically demodernizes labor protections. These results indicate that the utilization of platform technology in Indonesia has triggered a regression of labor protection standards toward a pre-industrial era, where asymmetrical power relations are obscured by sophisticated digital narratives. Within this context, the flexibility offered by application corporations no longer functions as a form of autonomy for workers; rather, it serves as a mechanism to circumvent corporate social responsibilities toward the individuals they employ

Examined from the perspective of international human rights instruments, particularly the International Covenant on Economic, Social and Cultural Rights (ICESCR), these findings reveal a severe deficit in the fulfillment of the right to just and favorable conditions of work. Article 7 of the ICESCR explicitly mandates states to ensure fair wages, safe working conditions, and equal opportunities for individual advancement. However, within the Indonesian gig ecosystem, these rights are eroded by partnership schemes that negate minimum wage guarantees. This condition aligns with the analysis by Westregård (2020), which asserts that the blurring of labor law boundaries in the platform economy has created a new class of vulnerable workers who are deprived of fundamental rights despite working with high intensity.

The income disparity identified in this research demonstrates that unilateral tariff determination by platforms frequently disregards the components of a decent living wage. When the net income of partners falls below regional standards after deducting operational costs, the state has, *de facto*, failed to exercise its supervisory function in protecting the economic rights of its citizens. This imbalance in bargaining power proves that the concept of freedom of contract, often extolled in civil law, is inapplicable to relationships that are substantially characterized by exploitative subordination.

Furthermore, the discourse on decent work encompasses the right to the limitation of working hours and rest periods. The findings of this study highlight that the absence of working-hour regulations for gig partners leads to the normalization of overwork in pursuit of manipulative bonus targets. Analytically, this constitutes a violation of the workers' right to physical and mental health. The exhaustion experienced by partners is not merely an individual risk but rather a systemic failure of a business model that prioritizes capital accumulation over human well-being (Wood et al., 2019).

The inability of Indonesian regulations to encompass the platform economy sector has created what is known in legal theory as a 'legal vacuum,' or a functional legal void that benefits corporations. This vacuum is not accidental; it is the result of legislative inertia in responding to the shifting landscape of the labor market. As long as the state maintains a rigid dichotomy between 'formal employees' and 'independent contractors,' exploitation under the 'tyranny of the algorithm' will continue to derive legal legitimacy through biased civil contracts.

This analysis further emphasizes that the protection of gig workers must be viewed as part of the state's obligation to protect human rights from violations by non-state actors. Referring to the UN Guiding Principles on Business and Human Rights, corporations have a responsibility to respect human rights throughout their business operations. The practice of externalizing business risks to workers such as the burden of accident insurance and asset costs represents a breach of the principles of distributive justice that should serve as the foundation for an ethical digital economy (De Stefano & Aloisi, 2019).

The theoretical implications of these findings necessitate a redefinition of the concepts of 'employer' and 'employee' in the sharing economy era. This research supports the argument that digital control serves as a modern substitute for manual commands; thus, the elements of legal protection must not be forfeited simply because the form of instruction has evolved into programming code. Should the law fail to adapt, technology will continue to be utilized as a tool to erode labor rights fought for over centuries, which, in turn, will degrade human dignity in labor.

Furthermore, the absence of collective bargaining rights for gig partners exacerbates the violation of the right to decent work. Without recognition as subjects of labour law, gig partners in Indonesia are deprived of access to form legally recognized trade unions to negotiate tariffs and working conditions. This creates an absolute platform hegemony, where worker voices are suppressed by rating systems and non-transparent automated termination (Graham & Woodcock, 2018).

As part of the discussion synthesis, it is crucial to highlight that the gig economy phenomenon in Indonesia is significantly influenced by the vast informal sector. Platform companies exploit the labour surplus to impose substandard working conditions. Without human-rights-oriented policy interventions, digital economic growth in Indonesia will only yield prosperity for a few platform owners while perpetuating precarity for millions of citizens on the front lines of digital operations.

This research reaffirms that recruiting workers via applications must not exempt companies from their humanitarian obligations. Decent work is not merely an economic slogan but a binding human rights standard. Therefore, the recognition of gig workers' rights is a juridical necessity to end the practice of 'formalized exploitation' currently occurring under the guise of sham partnerships (De Stefano & Aloisi, 2019).

Algorithmic Management as a Reincarnation of Subordination and the Illusion of Autonomy

An analysis of the operational dynamics of the platform economy in Indonesia reveals that the promise of 'independence' offered to partners is merely a rhetorical facade designed to

obscure a reality of profound subordination. Theoretically, a genuine partnership in civil law requires autonomy for all parties to manage their own assets and business strategies. However, within the gig ecosystem, this autonomy is eroded by what is termed 'Algorithmic Management.' When a platform maintains total control over pricing mechanisms, order allocation, and market access, the substance of an 'independent entrepreneur' effectively vanishes. Gig workers lack the sovereignty to negotiate tariffs or freely select clients, which serves as a fundamental indicator of their economic and technical dependence on the application (Duggan et al., 2020).

Furthermore, the control exerted by algorithms acts as a modern substitute for traditional managerial commands. Through rating systems and real-time GPS monitoring, companies exercise a far more intensive surveillance than the physical supervision found in conventional factories. The algorithm functions as an invisible yet omnipresent digital manager, capable of disciplining workers through automated sanctions, such as the suspension of access, without any due process for self-defense. This pattern of control establishes a *de facto* subordinative employment relationship, wherein worker behavior is modified through digital incentive and sanction structures to serve the platform's capital accumulation interests (Wood et al., 2019). This underscores that technology is not merely a neutral tool, but rather an instrument of power that reinforces the asymmetrical bargaining position between corporations and individuals

The practical implications of this phenomenon underscore the state's failure to classify gig workers as protected legal subjects. Within the human rights framework, the state holds a positive obligation to protect its citizens from exploitation by non-state actors. Permitting the 'misclassification' of workers as partners despite the presence of clear subordinative elements constitutes a 'failure to protect' on the part of the state. This regulatory failure excludes millions of workers from social security systems and labour protections, thereby violating the fundamental human right to decent work and equal legal protection (De Stefano & Aloisi, 2019).

Juridically, this 'algorithmic tyranny' challenges conventional contract law doctrines in Indonesia, which remain fixated on formal-written evidence. The law must be capable of 'piercing the partnership veil' to examine the true substance of the relationship. If a company controls access to income sources and dictates strict operational standards, it is functionally an employer. The inability of national law to recognize algorithmic control as a form of managerial command allows platforms to engage in regulatory arbitrage, reaping the benefits of an organized workforce without bearing the social responsibilities inherent in employer status (De Stefano & Aloisi, 2019).

From a global perspective, the failure to regulate algorithmic control risks creating a damaging precedent for the future of an increasingly digitized labour market. Without algorithmic transparency, workers are placed in a position of extreme information asymmetry; they cannot comprehend how managerial decisions, which dictate their earnings and future livelihood, are made by machines. Consequently, the recognition of algorithmic subordination is not merely about minimum wage compliance, but also about restoring the human rights of workers to be treated fairly, transparently, and non-discriminatorily within a technology-driven work environment (Graham & Woodcock, 2018).

This research asserts that redefining employment relationships in the gig economy era is a constitutional necessity. The state must not hide behind the pretext of innovation to permit the erosion of labour rights. Enforcing human rights standards in the digital economy requires a regulatory transformation capable of encompassing digital control as a new form of subordination. By acknowledging this reality, Indonesia can begin to construct a truly equitable

platform economy ecosystem, where technological progress aligns with the protection of human dignity and fundamental labour rights (Todolí-Signes, 2017).

Theoretical Implications: Reconstructing Legal Subjects through the Dependent Contractors Category"

"The discourse on gig worker protection in Indonesia is frequently trapped in a classic dichotomy between 'employees' (formal workers) and 'partners' (independent contractors). However, the findings of this research suggest that forcing platform workers into a rigid employee category risk eliminating the flexibility that characterizes the sharing economy. Conversely, maintaining the status of independent contractors merely perpetuates exploitation. Therefore, theoretically, this study supports the development of a third legal category: Dependent Contractors. This category recognizes individuals who may not formally possess a fixed employment contract but are economically dependent on a single employer or platform (Todolí-Signes, 2017).

Theoretically, the concept of Dependent Contractors serves as a bridge to overcome information and power asymmetries in algorithmic management. Within this category, labour flexibility—such as the freedom to determine application active hours—is preserved as a hallmark of the digital economic model. However, the recognition of the workers' economic dependence obligates platform companies to fulfil fundamental rights that have been hitherto ignored. These rights include a minimum wage calculated from active hours, health insurance, and occupational safety protections. This approach shifts the legal paradigm from merely examining 'contractual status' to observing the 'reality of dependence' (De Stefano & Aloisi, 2019).

The practical implication of adopting this third category is the strengthening of workers' human rights to organize and engage in collective bargaining. Historically, 'partner' status has been used as a legal basis to prohibit the formation of trade unions, as it is often misinterpreted as a cartel practice or unfair business competition. With the Dependent Contractors category, these legal barriers collapse, providing gig workers with collective bargaining power to negotiate algorithmic parameters and incentive schemes. This aligns with international standards set by the ILO (2021), which emphasize that the right to organize is a fundamental human right that must not be restricted by technical classifications of employment relationships.

Furthermore, this category mandates a more equitable redistribution of business risks between platforms and workers. Within the Dependent Contractor framework, platforms can no longer externalize the entirety of operational risks—such as accident insurance and asset depreciation onto individuals. Companies are required to contribute to universal social security schemes, ensuring that every hour spent by workers on the road is protected by a definite legal umbrella. This recognition will transform the face of the gig economy from a mere low-cost labour market into an economic ecosystem that upholds the principles of decent work (Adams-Prassl, 2018).

Academically, the urgency of this third category represents a legal adaptation to technological evolution. Indonesian labour law, primarily based on Law No. 13 of 2003, was designed for the manufacturing industrial era and has proven inadequate in addressing the reality of digital subordination. Reconstructing legal subjects requires legislative courage to 'deconstruct' the definition of a worker. Without this intermediate category, the Indonesian legal system will continue to experience a failure in providing equal legal protection, constituting a breach of the state's obligations under international human rights frameworks (Countouris, 2018).

As a theoretical conclusion, the introduction of the Dependent Contractors category in Indonesia will create legal certainty for both business actors and workers. For platform companies, this category provides clarity on operational costs and legal compliance without necessitating a total overhaul of their business model into a conventional transportation company. For workers, this category represents a restoration of dignity and human rights previously lost under the 'tyranny of the algorithm.' This transformation is crucial to ensuring that technological progress in Indonesia does not only generate financial profits for a few corporations but also brings prosperity and protection to the millions of citizens at the forefront of the digital economy (Prassl, 2018).

Policy Recommendations: Regulatory Transformation Towards Inclusive Gig Worker Protection"

"Based on the legal analysis and empirical findings presented, this study formulates several strategic recommendations for the Government of Indonesia to address the precarity of gig workers. First, the government, through the Ministry of Manpower, must urgently amend or issue Government Regulations that explicitly recognize the third legal category: dependent contractors. This step is a legislative urgency to fill the *legal vacuum* that platform companies have hitherto exploited for regulatory arbitrage. The recognition of this category must be accompanied by the establishment of non-negotiable rights, such as a minimum net wage—calculated after deducting operational costs and health and accident insurance, with premiums fully borne by the platform companies (De Stefano & Aloisi, 2019).

Second, the government must promote algorithmic management transparency through regulations requiring platform companies to open their algorithmic 'black boxes' to labour supervisory authorities. This right to algorithmic transparency is essential for the state to ensure that rating systems, order allocations, and sanction mechanisms are not conducted discriminately or in violation of human rights principles. This aligns with the global trend, notably the European Union’s Platform Work Directive, where algorithmic accountability is a primary prerequisite for ethical digital business operations. Without oversight of these algorithms, workers will remain in a position of extreme information asymmetry, hindering their access to administrative justice during unilateral partnership terminations (Adams-Prassl, 2018).

Third, it is strongly recommended that the government guarantee the protection of the right to organize and engage in collective bargaining for gig workers. The government must ensure that the formation of trade unions by partners is not construed as a violation of competition law or a cartel practice. Strengthening collective bargaining power is the most effective human rights instrument to balance the asymmetrical power relations within the platform economy. With legally recognized unions, negotiations regarding tariffs and working conditions can be conducted participatively, thereby creating a more democratic and sustainable labour ecosystem in the future (Graham & Woodcock, 2018)."

CONCLUSION

This study concludes that the implementation of partnership schemes within the Indonesian platform economy ecosystem is fundamentally misaligned with international Human Rights (HR) standards, particularly regarding the right to decent work. The findings reveal a sharp contradiction between the contractually promised autonomy of partners and the reality of digital subordination executed through algorithmic management mechanisms. This 'algorithmic tyranny' effectively replaces conventional managerial instructions with rigid data-

driven control, yet without the concomitant legal protection obligations. Consequently, a legal vacuum has emerged, casting gig workers into a state of permanent precarity characterized by real income uncertainty below decent living standards, a lack of access to comprehensive social security, and corporate neglect of occupational safety rights.

As a practical implication, the failure to correctly classify this employment relationship constitutes a neglect of the state's obligation to protect the economic and social rights of its citizens in the era of digital transformation. Therefore, the Government of Indonesia is urged to take progressive steps through regulatory reconstruction, either by revising the Manpower Law or by issuing specific Government Regulations that recognize the existence of a third labour category: dependent contractors. This policy transformation is an absolute prerequisite to ensure that innovations in the sharing economy business model do not sacrifice human dignity but rather succeed in integrating the fundamental rights of platform workers—such as the right to fair wages, social protection, and freedom of association—into an inclusive and equitable national legal framework.

REFERENCES

Adams-Prassl, J. (2018). *Humans as a service: The promise and perils of work in the gig economy*. Oxford University Press. https://doi.org/10.1093/oso/9780198797012.001.0001

Adams-Prassl, J. (2022). Uber BV v Aslam: '[W]ork relations … cannot safely be left to contractual regulation'. *Industrial Law Journal*, *51*(4), 955–966. https://doi.org/10.1093/indlaw/dwac027

Aloisi, A. (2016). Commoditized workers: Case study research on labour law issues arising from a set of 'on-demand/gig economy' platforms. *Comparative Labor Law & Policy Journal*, *37*(3), 653–690. https://cllpj.law.illinois.edu/archive/vol_37/

Badan Pusat Statistik. (2024). *Keadaan Ketenagakerjaan Indonesia Agustus 2024*. Jakarta: BPS. https://www.bps.go.id/id/publication

Countouris, N. (2018). The concept of 'worker' in European labour law: Fragmentation, autonomy and scope. *Industrial Law Journal*, *47*(2), 192–225. https://doi.org/10.1093/indlaw/dwx014

De Stefano, V. (2016). The rise of the "just-in-time workforce": On-demand work, crowdwork and labour protection in the "gig-economy". *Comparative Labor Law & Policy Journal*, 37(3), 471–504.

De Stefano, V., & Aloisi, A. (2019). Fundamental labour rights, platform work and human rights protection of non-standard workers. In J. Bellace & B. ter Haar (Eds.), *Research handbook on labour, business and human rights law* (pp. 359–379). Edward Elgar Publishing. https://doi.org/10.4337/9781788118477.00030

Duggan, J., Sherman, U., Carbery, R., & McDonnell, A. (2020). Algorithmic management and app-work in the gig economy: A critical review. *Human Resource Management Journal*, 30(1), 114–132. https://doi.org/10.1111/1748-8583.12258

Graham, M., & Woodcock, J. (2018). *Towards a fairer gig economy*. University of Oxford. https://www.oii.ox.ac.uk/wp-content/uploads/2018/06/Graham-Woodcock-Towards-a-Fairer-Gig-Economy.pdf

International Labour Organization. (2021). *World employment and social outlook 2021: The role of digital labour platforms in transforming the world of work*. ILO Flagship Report. https://www.ilo.org/global/research/global-reports/weso/2021/ WCMS_ 771749/lang--eveenn/index.htm

Prassl, J., & Risak, M. (2016). Uber, TaskRabbit, and Co.: Platforms as employers? Rethinking the legal analysis of crowdwork. *Comparative Labor Law & Policy Journal*, 37(3), 619–651.

Rosenblat, K., & Stark, L. (2016). Algorithmic labor management: The case of Uber. *International Journal of Communication*, 10, 3758–3784.

Surie, A., & Koduganti, J. (2016). The emerging nature of work in platform economy companies in Bengaluru, India: The case of Uber and Ola cab drivers. *E-Journal of International and Comparative Labour Studies*, *5*(3), 1–30. http://adapt.it/EJLCS-6/index.php/ejlcs-6/article/view/215

Todolí-Signes, A. (2017). The 'gig economy': Employee, self-employed or the need for a special employment regulation? *Transfer European Review of Labour and Research*, 23(2), 193-205. https://doi.org/10.1177/1024258917701381

United Nations. (1966). *International covenant on economic, social and cultural rights*. General Assembly Resolution 2200A (XXI). https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-economic-social-and-cultural-rights

Veen, A., Barratt, T., & Goods, C. (2020). 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. https://doi.org/10.1177/0950017019869415

Westregård, A. (2020). The gig economy and the boundaries of labour law – with a focus on the right to collective bargaining. *Juridisk Tidskrift*, 2020(2), 316–338.

Wood, A. J., Graham, M., Lehdonvirta, V., & Hjorth, I. (2019). Good gig, bad gig: Autonomy and algorithmic control in the global gig economy. *Work, Employment and Society*, 33(1), 56–75.