

# Gig Economy and Sustainable Development

Sustainable development means the manner in which to undertake activities for economic development now so that the stock of natural resources is still available for the future generations to use and have, at least, the same quality of life that we do now. It entails ideas about how best to utilise our resources such that they do not 'get used up', and our future generations have sufficient supply to meet their own needs and aspirations as well. The most widely accepted definition is as in the Brundtland Report, (Bruntland, 1987) "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (International Institute for Sustainable Development, 2020)

Sustainable as a term began emerging around the 1970's, but recently, it has been the topic of every discussion (Rapid Uplift, 2012) be it on global forums or domestic conferences. The reason for this is, of course, increasing awareness about the perils of climate change, and how global warming could lead to unprecedented and potentially irreversible catastrophe if immediate action is not only taken, but also punctiliously maintained. Climate refugees are no longer a distant possibility (European Parliament, 2023) and calamity is upon us.

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However, despite studies showing that the average consumer is willing to spend more for products that inculcate sustainability (McKinsey & Company, 2023) many corporations are strongly misaligned with the United Nations Sustainable Development Goals (United Nations, 2015) regarding climate action and sustainability (World Economic Forum, 2021).

The reason for this, as elucidated by Impactive Capital's founder Lauren Taylor Wolfe (Goldman Sachs, 2023) is that corporations often believe that working towards sustainable development and environmentally responsible production will lead to an inevitable decline in economic growth, which, in today's world, is perpetuated as a corporate priority. Lauren says that the way Impactive Capital has worked to counter this is by sitting down with corporations and finding constructive solutions together, so as to advance sustainable development synchronically with economic growth. While this is certainly an effective strategy for the corporate world, I believe that the solution required, so as to change the misconceptions around environmentally conscious consumption being against economic prosperity is the popularisation of the gig economy, which we have seen in recent times.

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The “gig economy involves the exchange of labour for money between individuals or companies via digital platforms that actively facilitate matching between providers and customers, on a short-term and payment-by-task basis,” according to the UK government (World Economic Forum, 2021). In simple terms, it is a relatively independent job, of varying difficulties and among various professions, that people might use as a supplement to their full-time job if needed, or even as a complete job, depending on the payment offered or time available (McKinsey, 2016). Popular avenues of the gig economy are ride-share apps like Uber and its subsidiary food delivery platform Uber Eats. However, I would like to challenge these popular ideas of what the gig economy entails and ambitiously propose that we simply consider it to enumerate all temporary jobs – in the sense of the term, flexible and independent, with ample choice and opportunity for personal and professional growth.

There are several reputed surveys talking about how “Gen-Z” looks for such work (Deloitte, 2023) (Forbes, 2023) (Wall Street Journal, 2023) especially after the experience with hybrid working situations during the pandemic (Washington Post, 2022) which actually saw the rise of the gig economy reach new heights (National Bureau of Economic Research, 2023) worldwide. In the

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context of India (Economic Times, 2023) it is a quickly evolving idea to work flexibly. So, if it is acceptable to evolve the concept of the gig economy to include not only all jobs seeking flexibility, including the corporate sector, this could also be the key to facilitating sustainable development – a concept otherwise considered poles apart – because the gig economy can facilitate job satisfaction to the crescendo of facilitating another essential skill that a ‘regular’ job misses out on – the inculcation of entrepreneurship amongst all.

It is absolutely certain that there has been an unprecedented rise in the number of astute startups by even more astute minds (Harvard Business Review, 2018). There have been nearly 200 fintech unicorns in 2023, in the US, UK and India alone (LiveMint, 2023).

However, similar to how economic growth and sustainable development are considered mutually exclusive, so is founding startups and a stable jobs. With reference to the latter, this leads to a suppression of the spirit of entrepreneurship among anyone who is not in a position to be able to undertake the gamble solely on their belief in their idea, however revolutionary it may be.

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As elucidated by one of my favourite economists, E.F. Schumacher, the spirit of entrepreneurship is based, not solely, but predominantly, on the availability of resources to foster creativity [*my own thoughts, as stimulated by his views in 'Small is Beautiful' (Schumacher, 1973)*]. These resources referring to a 'safety net', which allows one to undertake the execution of their innovation without the fear of failure – or rather, void of the fear that if one leaves their 'stable job' to, quite simply, change the world, and if one is, again, quite simply, unable to do so, one will be left destitute. I am not denying that there have been entrepreneurs who in fact, did not have this luxury, yet managed to achieve dazzling success. However, these stories, as brilliant and inspiring as they may be, are not always, for want of a better word, feasible. Rest assured, when I talk about the spirit of entrepreneurship, I mean it in the general sense of involvement and action, not necessarily corporate or academic, or even formal. I am simply saying that the most large-scale way to imbibe and propagate a spirit of action regarding entrepreneurial ideas is required – and I propose the gig economy as the best possible method for the same.

Going by the expanded web of possibilities with respect to the gig economy, at the risk of sounding dangerously idealistic, if employment generation is done

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along the lines of providing flexible yet well-paying jobs to the appropriately-qualified demographic i.e., commencing from university placements itself: it will give the brightest minds the space they require to truly let themselves prosper. Going a rung lower, liberal education is the latest ‘trend’ – my own country is one in a quickly expanding group of those realising that specialisation is no longer the only viable path to industrial, corporate and academic success (Indian Ministry of Education, 2020). In an increasingly competitive world, creativity and innovation is the way to go; and what better economic contraption showcases this than the rising popularity of the gig economy?

It is only obvious that the nurturing of this entrepreneurial tendency will be seminal for sustainable development as well. There is only so much that governments can do – it is the trailblazing academics and resilient entrepreneurs who can make the real difference. I have always been a believer in the difference between the words – everyone, and every one; and the fact that no difference between the two is generally observed, greatly impacts policy making.

Governments certainly have their task cut out for them, but the real grassroots level work has to be done by the brilliant minds all around – including those in

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professions not typically considered 'academic'. There is an inherent dignity in earning your living that simply cannot be diminished, and hence I absolutely agree that every job is worthy well beyond its pay grade. But at the same time, sustainable development is an urgent humanitarian need, and one that every one of us has, both, an equal right as well as responsibility towards. Hence, it is implicit that the solution lies in front of us – total mobilisation and involvement, something that the gig economy can be tremendously beneficial for.

In an attempt to further elevate my views from idealistic to optimistic - here, I would also endeavour to mention the expanded view of sustainable development as given by the United Nations, beyond environment albeit that is extremely important as it is (United Nations, 2015). Sustainable economic growth can also mean exactly that – growth at a pace that is sustainable i.e., progression of the economy at (at least) the same rate in the long term, something that will require a multitude of conscious practices, involving environmental consciousness, vis-à-vis the basic economic concepts of resource allocation and optimum utilisation. At the risk of being redundant, taking the UN SDGs as a comprehensive benchmark, which includes all the practices necessary

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for an all-around sustainable future, the 'economics' of which can be summarised as under – free and fair trade, development of all-scale industries, eradication of poverty and of course, generation of adequate employment. With this, I will attempt to come down to more 'obvious and practical' problems that the gig economy can potentially address - by genuinely working on developing this temporary job style model into being a feasible option available to all sections of society, as it is a brilliant method of employment generation that can be optimal to reducing the amount of people living below the poverty line. We have already seen this happening as is depicted by various studies (NITI Aayog, 2022) (Sage Journals, 2022) (Rice University, 2022) (Taylor & Francis, 2020); and the impact can be further elevated by encouraging governments to pursue policy making in a similarly beneficial direction.

Generation of such employment i.e., the aforementioned expanded idea of the gig economy, can increase the economic standing of a country on a global basis, enabling free trade of the populist rather than corporate kind, which would be a visionary aspect of globalisation fulfilled like never before. Moreover, this essentially leads to sustainable economic growth in the literal sense of the term - economic prosperity for a while generation as well as the future, rather than a

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single fiscal year made successful by an unintentional stroke of luck with regards to policy making.

As elucidated by the UN, these sustainable development goals are varied yet similar, as they all focus on specific fields but have a common thread intertwining them as the need of the hour – all of these involve principles upholding the Universal Declaration of Human Rights (United Nations General Assembly , 1948) in a world that has shockingly similar humanitarian needs to Post-World War 2 apocalyptic epoch, 75 years on (United Nations Foundation, 2023). We are ravaged by crises that transcend the fixed classifications of being economic, or humanitarian, or social, or environmental. Today, the disaster that awaits us is too perilous to be wasting time classifying it as “x’s problem, or rather, y’s problem, no wait, z’s problem!” meanwhile a, b and c, who have solutions for these very problems are unable to help because they do not have the resources. Social media has provided the platform, and now it is the very modern contraption of the gig economy that can provide the tools. There is something inherently modern about these ideas, that existed before the pandemic (Mastercard, 2019) but have been amplified to be so much more than an idea –

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a radical and unprecedented – as well as potentially revolutionary – proposal for the economic crises that face us today.

Keeping in line with the concept of ‘expanding’ definitions, let us conclude by doing the same for the brilliant subject that is economics. For one unversed, it is restricted to the important yet minimising world of finance i.e., money. While that is absolutely essential, and rightly so, as the backbone of the organised modern civilisation economy, economics is so much more. It is the solution to our biggest problems, because it is the only discipline that has acknowledged this fact from the get-go – it is only when there is a provision of equal opportunities to all that we can finally say we live in ‘a civilised world more developed than that of our ancestors’. And isn’t that what economics is really about, at its core?

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