Gig Economy and Web 3.0
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Report
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Web 3.0 introduction

Web 3.0[1], coined around 2014, represents a paradigm shift in the evolution of the internet. The key aspects of Web 3.0 as a decentralized and privacy-focused version of the web, built on blockchain technology. While Web 1.0 was characterized by static web pages and Web 2.0 introduced the interactive and social web we use today, Web 3.0 aims to address the centralization, data privacy, and security concerns prevalent in Web 2.0.

At the heart of Web 3.0 is the blockchain, a decentralized network that operates on a peer-to-peer basis without relying on a central server. The blockchain technology gained prominence around the same time as the creation of cryptocurrencies like Bitcoin. It provides a secure, transparent, and tamper-resistant way of recording and verifying transactions and information. By leveraging blockchain technology, Web 3.0 aims to create a more resilient and trusted internet infrastructure.

One of the ways to connect to Web 3.0 is through platforms like Rarible, which act as gateways to the decentralized web. These platforms provide an interface that resembles the familiar Web 2.0 experience, making the transition from the traditional web seamless. However, underlying this interface is the infrastructure of Web 3.0, which operates on decentralized principles. To

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[1] This segment was presented by Eng. Layth Altarawneh.

interact with Web 3.0, users typically need a digital wallet, and one of the most well-known wallets in this context is Metamask. A digital wallet serves as a secure container for managing and storing various assets on the blockchain. It allows users to access and control their digital identities, digital currencies, and other digital assets securely.

In the context of Web 3.0, one of the primary forms of digital assets is Non-Fungible Tokens (NFTs). NFTs represent unique and indivisible digital items, such as artwork, collectibles, or virtual real estate. NFTs have gained significant attention in recent years due to their ability to prove ownership, scarcity, and authenticity of digital assets in a verifiable manner. Web 3.0 strives to provide a decentralized and privacy-conscious internet experience, leveraging blockchain technology and digital wallets. It aims to address the shortcomings of Web 2.0 by empowering users with more control over their data and assets while fostering transparency and trust in online interactions.

In the Web 3.0 ecosystem, the user interface (UI) serves as the first layer, providing a familiar and intuitive interface for users to interact with decentralized applications (DApps) and blockchain-based platforms. The UI layer focuses on delivering a user-friendly experience while abstracting the underlying complexities of the blockchain technology. Underneath the UI layer lies the blockchain layer, which forms the core infrastructure of Web 3.0. Ethereum has emerged as one of the most prominent and widely used blockchains in the Web 3.0 space. Ethereum enables the creation and execution of smart contracts, which are self-executing contracts with the terms of the agreement directly written into code. This capability has been instrumental in powering various decentralized applications and facilitating the development of NFTs.

The third layer in the Web 3.0 ecosystem is the community layer. The success and growth of any blockchain project depends heavily on the engagement, participation, and support of its community members. The community encompasses developers, users, investors, and other stakeholders who contribute to the project's development, adoption, and governance. Strong and active foster communities' innovation, provide feedback, and drive the evolution of the blockchain ecosystem.

Within the Middle East and North Africa (MENA) region, several active NFT initiatives have emerged. Some notable examples include:

● Taxir.xyz: Taxir.xyz is an NFT platform that aims to support and empower artists and creators in the MENA region. It offers a marketplace for artists to tokenize and sell their digital creations as NFTs, facilitating the monetization of their work.

● Nftsarabi.com: Nftsarabi.com is another platform dedicated to promoting Arab artists and their NFTs. It provides a space for Arab creators to exhibit and sell their digital artworks, fostering the growth of the Arab NFT community.

These initiatives within the MENA region contribute to the expansion and diversification of the NFT ecosystem, providing artists and creators with opportunities to showcase and monetize their digital creations while encouraging the adoption of blockchain technology in the region.

Fair work associated with Cloud work-based

Fair.work[2] organization which is focused on studying and assessing platforms in relation to the digital labor force. Fair.work examines various platforms that span different industries, ranging from transportation and delivery to design and other services. Their work revolves around understanding and analyzing the complex dynamics between companies and digital laborers. Fair.work recognizes that platforms can be location-based, such as food delivery services, or cloud work-based, like design platforms. The organization also explores the intersection of artificial intelligence (AI) and platform labor. They provide insights and research through resources like Gigpedia, which likely serves as a knowledge hub on gig work and platform labor.

Fair.work's approach involves evaluating platforms based on five core principles: fair pay, fair conditions, fair controls, fair management, and fair representation. Each principle encompasses specific sub-thematic principles that further delve into different aspects of fairness within platform labor. One of the key challenges in digital labor is the disproportionate burden of risks placed on workers. This includes risks like accidents, illness, and the need to consistently secure enough work opportunities. Moreover, there are additional issues such as clients exploiting workers by taking their designs without providing proper compensation. The lack of standardized work practices in the digital labor sector poses a significant obstacle to effective and equitable work conditions. For Fair.work, understanding the business models and revenue structures of platforms is crucial. These modalities tend to change frequently, making it essential to stay updated and analyze the impact of such changes. By studying and shedding light on these aspects, Fair.work aims to contribute to the improvement of labor conditions and advocates for fair practices within the digital labor ecosystem.

Fair.Work actively engages with both consumers and organizations interested in utilizing services offered by these platforms. They understand the importance of fostering dialogue with stakeholders to promote fair work practices. An example of their initiatives is the Fair Work Pledge, which serves as a mechanism to ensure fair treatment and conditions for digital labor. They provide resources like videos and encourage individuals and organizations to join the pledge, emphasizing the importance of collective efforts for fair platform work.

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[2] This segment was presented by Dr. Funda Ustek, https://fair.work/en/fw/homepage

Cloud work-based[3] challenging issues [4]

The main challenge faced in the realm of platformization extends beyond specific professions such as designers, animators, and translators. It encompasses various sectors, including education and analog domains, making it crucial to examine platforms as a reflection of the future of work. The objective is not to idealize a perfect platform, but rather to establish a platform that meets minimum standards and safeguards workers' rights.

As investigations unfold, it becomes evident that platforms exhibit significant differences. While some platforms have abysmal working conditions, others not only adhere to principles but actively seek to improve and adapt. In fact, during a recent meeting, a platform agreed to incorporate a minimum wage policy following discussions. This demonstrates the willingness of many platforms to bring about change and address matters concerning dignity and fair treatment.

However, it is unfortunate that not all platforms share this progressive mindset. Research on freelance platforms has revealed persistent fundamental issues, with nonpayment being a significant concern. Nonpayment extends beyond minimum or living wage disputes and encompasses the basic failure to compensate workers for their completed work. Shockingly, our latest report indicates that 30% of workers have encountered nonpayment. Imagine, for instance, being a designer who invests time and effort into crafting a logo or product identity, only to be denied payment.

The problem of nonpayment is further compounded by platform contests, where requesters seek multiple submissions but only select one for payment. Consequently, the majority of participants do not receive compensation for their efforts. This undermines the fundamental principles of labor relations, where an individual is hired for a job and compensated accordingly. Unfortunately, most platforms lack proper mechanisms for workers to address and resolve such issues. While some platforms are making efforts to improve by establishing mediation teams, this remains a limited practice.

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[3] Cloud work-based refers to employment or work arrangements that utilize cloud computing technologies for remote collaboration and task execution. It involves leveraging the cloud for data storage, communication, and computing, enabling flexibility and scalability in work processes.

[4] This segment was presented by Dr. Jonas Valente

Apart from nonpayment, two other forms of noncompensation prevail in the design field. One involves clients continuously requesting changes to a design, leading to substantial time investment by the designer without proportional compensation. This raises concerns about valuing a worker's time and effort adequately. Additionally, the global nature of the labor market introduces complexities, as workers from different countries receive payments in various currencies. While this may benefit some individuals, it also creates a race to the bottom, with clients opting for cheaper labor from countries with lower costs. Consequently, workers are compelled to compete on a global scale, resulting in downward pressure on wages.

Platforms wield significant influence in managing these issues, despite some positioning themselves as mere marketplaces without responsibility. Some platforms establish fixed prices, dictate rules, and even determine whether workers should be paid. However, these platforms often fail to provide effective channels for workers to voice their concerns or receive payment in their local currencies. Consequently, a range of problems emerge, highlighting how platforms handle their global workforce.

Therefore, the crucial question to address is whether this situation represents the only alternative. Particularly in informal countries like Brazil and Latin America, where informality rates are high, alternative solutions must be explored. The aspiration is to create meaningful employment opportunities that go beyond financial gain and encompass professional development and upskilling. Achieving this while ensuring the protection of workers' basic rights poses a substantial challenge.

Fortunately, the International Labor Organization (ILO) acknowledges the urgency of this matter and is currently deliberating on an international convention for platform work. This underscores the significance of engaging and collaborating with workers, stakeholders, and researchers to collectively address these problems. A global discourse is necessary, one that involves not only the ILO but also a broader range of actors.

General economic and social economic situation in Jordan

I believe it would be beneficial for us to have a reminder of the general economic and social situation in Jordan[5] and its connection to platform work, specifically in the creative industry. Jordan faces significantly high rates of unemployment, which we are all aware of. Although there has been slight improvement since the COVID-19 pandemic, which caused a sharp spike, the levels of recovery offer hope. However, young people in Jordan, in particular, continue to experience high unemployment rates. In some cases, these rates reach 50% among individuals aged 18 to 24, especially for those with a bachelor's degree or higher education. Among this

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[5] This segment was presented by Dr. Anna Sting

specific subgroup, the unemployment rate can even reach 70-80% in some instances, with women being particularly affected.

In light of these challenges, it is essential to view the platform as a significant opportunity for Jordanians, especially young people, to participate in the economy and find employment. The traditional economy in Jordan faces demographic challenges, with an influence of people from other countries joining the workforce. Currently, the traditional economy cannot generate enough jobs for everyone to participate, which is why online work has experienced substantial growth in recent years. However, the potential of online work in Jordan has not been fully tapped into. According to a report by the International Labor Organization (ILO) on online labor, although there has been a considerable global demand for online workers in the creative and multimedia industries, Jordan only accounts for 0.08% of online labor globally. In the MENA region, Jordan's share is 2.2% of online workers, which is significantly smaller compared to countries like Egypt or the UAE. Egypt, for instance, provides 45% of online workers in the creative and multimedia industries, making it a significant player. In Jordan, the creative and multimedia industry has overtaken software development as the largest sector for online labor, with an estimated 6,400 people working in this field.

However, the lack of regulation poses a challenge. Although I have been asked to discuss the risks and regulations of platform work in Jordan, it is difficult to provide an extensive analysis as the legislation has not kept pace with the developments in this field. Currently, there is minimal regulation, and many platform workers in Jordan are considered freelancers or fall under the umbrella of the gig economy. As a result, they do not pay taxes, social security, or have insurance coverage. Moreover, they are not registered like other workers in the informal economy, which constitute roughly half of the overall workforce. This lack of formalization leaves them outside the protection of labor codes and vulnerable to various risks such as workplace injuries, non-payment, low wages, and exploitation. Additionally, there is a legal vacuum regarding the jurisdiction and applicable laws when platform workers operate across borders or if the platform itself is based in another country. It becomes challenging to address complaints or enforce regulations in such cases.

While the establishment of the Ministry of Digital Economy and Entrepreneurship is a positive step, regulations still need to be implemented. Balancing economic growth and job creation with worker rights and protections is a complex task. Over-regulating platforms could potentially lead them to withdraw from Jordan or the MENA region, causing job opportunities to disappear. Therefore, it is crucial for stakeholders, including ministries and other relevant parties, to collaborate and define their goals. Improving working conditions, integrating platform workers into the formal economy, ensuring tax compliance, and providing social security and health insurance become even more important when considering intersectionalities and the potential opportunities for people with disabilities, women, and refugees. Cloud work, in various forms, offers opportunities for individuals with disabilities to

enter the labor market by leveraging their ability to work from home. Similarly, it presents a chance for women to overcome cultural and social barriers.

Another significant challenge is the cultural differences in expectations between service providers on platforms and the clients who may not fully comprehend the cultural nuances associated with working from a Jordanian perspective. This can lead to misunderstandings and difficulties in communication between the two parties. Moreover, we examined the platform-related issues, particularly focusing on the technical infrastructure. The prevalence of automated responses creates a situation where customers, clients, and workers are often left to navigate through impersonal and automated interactions, which may not adequately address their inquiries or resolve disputes.

When discussing the adaptation of Creative and Cultural Industries (CCI) in Jordan to platforms, we explored the difficulties faced by designers who are sometimes assigned only a portion of a project, preventing them from showcasing their work comprehensively in their portfolios. This limitation affects their ability to demonstrate their involvement in larger projects. Additionally, intense competition within the platform space makes it challenging for workers to secure jobs, demonstrate their skills, and develop a robust portfolio. Balancing competitive pricing on the platform while considering the relatively higher cost of living in Jordan, where the Jordanian Dinar holds greater value compared to other currencies, poses a further obstacle.

We also delved into the lack of awareness surrounding CCI in Jordan, including a limited understanding of the rights within this specific sector. Enhancing awareness and knowledge regarding opportunities and rights within the CCI sector can contribute to its growth and provide greater access to the labor market.

On a positive note, we acknowledge that platforms have the potential to bridge gaps and offer access to the global labor market from Jordan. This can particularly benefit marginalized groups, such as the unemployed and women with low rates of participation in the labor market. As the platformization of work is still in its early stages, it presents an opportunity to establish trust-based systems and address the previously discussed challenges. Developing new platforms tailored to the needs of Jordan can foster a healthy and effective CCI sector that benefits activists, artists, and the overall country.

Conclusion

In relation to enjoying the benefits of working as a service provider on platforms, it is essential to be aware that participating in awareness sessions can be advantageous. These sessions can help individuals understand the opportunities that platforms offer, such as saving time and avoiding the complexities of being an employee. By signing up on a platform, service providers can work directly with customers without concerns about legal implications, as the platform's terms and conditions govern the working relationship.

One regulatory framework challenge in Jordan lies in the complexity of licensing word professionals and companies. Creative individuals often need to obtain different licenses from various organizations to provide their services. Simplifying this process would have a positive impact on individuals working in the arts and creative industries, promoting growth and reducing barriers to entry. Another opportunity provided by the current regulatory framework is the avoidance of Social Security costs when hiring individuals through a platform. In Jordan, Social Security expenses can be significantly high, and by utilizing platforms, employers can bypass this financial burden.

During discussions, it became apparent that inter-ministerial discussions among different ministries are necessary. This is due to the involvement of multiple regulatory bodies with jurisdiction over various aspects of the platform economy. Achieving coordination and addressing regulatory gaps require collaboration and agreement among ministries. The question of whether the sector should be regulated at all was also raised, as differing opinions exist.

Regarding legal precedence and potential court cases against platforms, it can be challenging to file a case, especially when dealing with platforms that operate across different countries. Some platforms include arbitration clauses in their terms and conditions, restricting individuals' ability to go to court. Hybrid models, where platforms have both full-time employees and freelancers, also pose challenges in defining their legal status.

While regulation is important, it is necessary to consider ethical values and cultural practices within the platform economy. Customers should prioritize businesses that uphold ethical standards. While not everything can be regulated, collective efforts are required to address these issues and promote a culture of responsibility. Where policies and legal precedents were analyzed, no court cases against platforms were found. However, this could be attributed to the complexities involved in filing cases against companies operating across different jurisdictions and the presence of arbitration clauses.

Adopting guidelines and making it mandatory for platforms to adhere to Jordanian law when operating in the country could ensure that legal issues are addressed effectively. Each platform should be examined individually to determine its specific circumstances and legal obligations.

Considering copyright terms and conditions is another aspect that could impact service providers. It is important to determine how platforms protect the rights of artists and creators, ensuring that ownership and intellectual property rights are respected and properly regulated. While there are concerns about regulating a growing platform economy, it is essential to assess the need for regulation based on factors such as protection, inclusivity, and economic growth. Collaboration among stakeholders, including government, platforms, and legal professionals, is crucial for establishing effective regulatory frameworks.