The impact of Blockchain on the gig economy and Freelancing

D17B - 22

What is freelancing ?

- Individuals work on a project or service basis.
- Freelancers are not permanent employees but work for clients or businesses.
- Offers flexibility in project choice and work arrangements.

What is gig economy?

- A broader labor market concept.
- Includes freelancers, independent contractors, and part-time workers.
- Involves short-term, flexible "gigs" or jobs.
- Often facilitated by digital platforms or apps.
- Offers flexibility but may lack job security and traditional benefits.

Demographics

- Over 50% of Indian respondents anticipated more than 50% growth in their freelance businesses. This reflects a recognition of the increasing global demand for freelancers.

- 70% of Indian freelancers reported working exclusively as freelancers, with 48% of them dedicating 30 hours or less per week to their freelance work.

- A NITI Aayog report estimated significant growth in India's gig workforce, projecting it to reach 2.35 crore by 2029-30, up from 77 lakh in 2020-21.

max growth
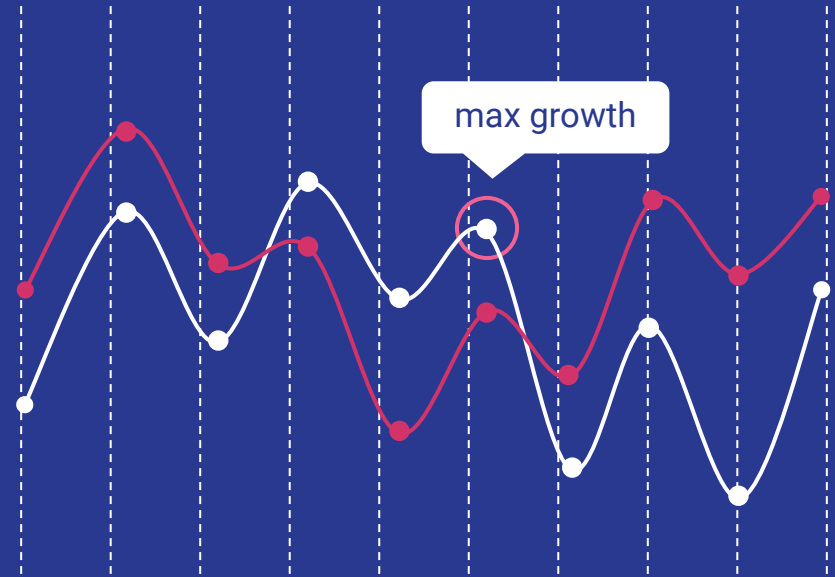
Challenges in the Traditional Financial System

Delayed Payments

Freelancers often struggle with delayed or unpaid payments, resulting in a loss of income.

Payment Recovery

Legal action to recover payments can be costly and impractical.

Negotiation

Clients may face risks, as freelancers may demand additional fees beyond the agreed terms.

Challenges in the Traditional Financial System

Platform Commission

High transaction fees (up to 20%) on freelance platforms are a significant drawback(for eg. Fiverr).

Restrictions

Cross-border payments are hindered in countries without support for popular payment mechanisms like PayPal and Stripe.

Finding Clients

Building a strong client base demands relentless marketing efforts, and an impressive portfolio. maintaining excellent communication is crucial for securing repeat business.

How Blockchain will help ?

1. Streamlined Cross-Border Payments:

   Bitcoin's decentralized nature enables borderless and seamless transactions.
   Eliminates intermediaries and hefty fees in cross-border payments.

2. Financial Inclusion:

   Provides financial access to underserved regions in the gig economy.
   Equalizes opportunities and income for freelancers from diverse backgrounds.

3. Secure Transactions:

   Blockchain ensures transparency, security, and irreversible payments.
   Smart contracts establish clear project terms for payment protection.

How Blockchain will help ?

4. Empowerment for Freelancers:

    Low transaction fees empower freelancers as entrepreneurs.
    Bitcoin earnings can be strategically allocated, fostering independence.

5. Future of Work:

    Bitcoin catalyzes a more equitable and thriving gig economy.
    Empowers freelancers to navigate the digital marketplace with confidence.

6.Proof of Work and Intellectual Property Protection:

    Blockchain records all work, freelancer profiles, client reviews, and intellectual assets.
    Immutable records provide tamper-proof ownership rights.
    Encourages a cooperative relationship between clients and freelancers.

Conclusion

- Large enterprises are also getting onboard blockchain's intersection with the gig economy, and the next several years will see rapid adoption as market-shifts in employment continue.

- Adoption rates of blockchain technologies within the gig economy will only increase as developers address blockchain's scalability issues, price volatility and susceptibility to hacking attacks.

- For enterprises who have come to rely on alternative work arrangements, it is vital that technologies like blockchain continue to be applied to the gig economy to help solve some of the problems that are holding it back from reaching its true potential.

References

- [The Impact of Blockchain on the Gig Economy: Revolutionizing Freelancing](#)

- [Gig Economy: Challenges and Opportunities in India](#)

- [How Blockchain Is Poised to Disrupt the Gig Economy | Entrepreneur](#)

- [CRYPTOCURRENCY AND THE GIG ECONOMY-THE RISE OF THE FREELANCE ECONOMY by platin coin - Issuu](#)

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Implementation Screenshots

[block:1 txIndex:0] from: 0x543...D0477 to: UserAccount.(constructor) value: 0 wei
data: 0x608...20033 logs: 0 hash: 0x5b3...7de14

status	true Transaction mined and execution succeed
transaction hash	0x5f9b1c1705ea991d0a522df6412b7a87d518ee7c57f489fdb85427a35a8875ab
block hash	0x5b384aa21a08584adf37d0760a3ba80f2c0f9526c55925c14e25748447b7de14
block number	1
contract address	0xe1fdf98df02699644C925DB0d175269111DA5c57
from	0x543EE4421d5fD5B93D69EC1b20caA2531C7D0477
to	UserAccount.(constructor)
gas	607561 gas
transaction cost	607561 gas
input	0x608...20033
decoded input	{}
decoded output	-
logs	[]

[block:2 txIndex:0] from: 0x543...D0477 to: UserAccount.registerUser(string) 0xe1f...A5c57
value: 0 wei data: 0x704...00000 logs: 1 hash: 0xf86...c0e8c

status	true Transaction mined and execution succeed
transaction hash	0x7fd29ba179586cce3c5574658642128680994732934d0f4d46a181a2df807dce
block hash	0xf86bcc4c6683e17aee0c228346844228ffa59c111a9f8f4ea9c71decabbc0e8c
block number	2
from	0x543EE4421d5fD5B93D69EC1b20caA2531C7D0477
to	UserAccount.registerUser(string) 0xe1fdf98df02699644C925DB0d175269111DA5c57
gas	70663 gas
transaction cost	70663 gas
input	0x704...00000
decoded input	{ "string _username": "pushkaraj" }
decoded output	-
logs	[

Implementation Screenshots