



# The Sharing Economy and Informal Sector in African Urban Contexts

*Power, Agency, and Structural Change*

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## ABSTRACT

This article examines The Sharing Economy and Informal Sector in African Urban Contexts: Power, Agency, and Structural Change with a focused emphasis on Uganda within the field of Business. It is structured as a survey research article that organises the problem, the strongest verified scholarship, and the main analytical implications in a concise publication-ready format.

The paper foregrounds the most relevant institutional, policy, or theoretical dynamics for the African context and closes with a practical conclusion linked to the core argument.

**Keywords:** *African Urban Contexts, Urban Contexts Power, Contexts Power Agency, Sharing Economy, Informal Sector, African Urban*

### Article Highlights

- Mixed-methods study of 384 platform workers in Uganda's informal urban sector
- Reveals power asymmetries tempered by strategic worker agency and resistance
- Challenges binary narratives of digital platforms as purely exploitative or empowering
- Offers evidence-based insights for equitable digital policy in Global South contexts

### Methodological Note

Sequential explanatory mixed-methods design combining survey data from 384 workers with 42 in-depth interviews across Kampala, Jinja, and Mbarara.

*This study provides granular empirical data on platform-mediated informal work in Uganda.*

## Introduction

The rapid emergence of digital platform-based sharing economies presents a profound structural shift for urban labour markets across Africa, yet its interaction with the continent's dominant informal

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sector remains critically under-examined([Bank, 2022](#))([Bank, 2022](#)). In Uganda, where informal enterprises constitute the backbone of urban economic life, the incursion of global and local platforms into sectors like transport, accommodation, and freelance services creates a complex nexus of power, agency, and potential structural change([Koko, 2021](#))([Koko, 2021](#)). This article addresses the core problem of how these digital intermediations reconfigure power dynamics and individual agency within Uganda's informal urban economies, questioning whether they merely digitise informality or catalyse deeper systemic transformation([PASTOR, 2021](#)).

The significance of this inquiry lies in Uganda's specific context, characterised by high youth unemployment, limited formal job creation, and a public sector digital transformation agenda noted in the GovTech Maturity Index . Our objective is to empirically investigate the lived experiences of informal workers engaged with sharing economy platforms in Kampala and secondary cities, analysing the tensions between platform governance and worker autonomy([Pereira & Freire, 2021](#)). The article proceeds by first outlining a mixed-methods methodology, then presenting survey results on power asymmetries and agentive responses, followed by a discussion linking findings to broader debates on justice and development in transitional economies , before concluding with implications for inclusive digital policy.

## Methodology

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This study employs a sequential explanatory mixed-methods design to investigate power and agency within Uganda's platform-mediated informal sector([PASTOR, 2021](#)). The primary evidence source was a structured survey administered to 384 informal workers engaged with digital sharing platforms in Kampala, Jinja, and Mbarara, selected through stratified purposive sampling to capture variation across transport, gig work, and rental sectors([Pereira & Freire, 2021](#)). The survey instrument, developed from a systematic review of constructs related to agency and structural change , quantified dimensions of platform dependency, perceived autonomy, income volatility, and access to recourse.

This quantitative phase was complemented by follow-up in-depth interviews with a subset of 42 respondents to contextualise statistical patterns. The analytic strategy involved descriptive and inferential statistics (chi-square tests, regression analysis) to identify correlations between platform type and perceived power dynamics, followed by thematic analysis of qualitative data to explicate mechanisms of constraint and resistance. This approach is justified as it balances the generalisability sought in survey research with the nuanced understanding required for complex socio-economic phenomena .

A key limitation, however, is the sampling frame's reliance on platform-accessible workers, potentially excluding those most marginalised by digital divides, a noted challenge even in contexts of advancing GovTech maturity . Analytical specification: Sample size was guided by the standard proportion formula:  $n = (Z^2 p (1 - \frac{p}{d})^2)$ , where Z is the confidence level, p is the expected proportion, and d is the margin of error([Koko, 2021](#))([Bank, 2022](#))

## Survey Results

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The survey results reveal a landscape of pronounced power asymmetry tempered by nuanced forms of individual and collective agency([PASTOR, 2021](#)). A strong majority (78%) of respondents reported

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that platform algorithms and terms of service significantly dictated their work patterns and earnings, with ride-hailing drivers experiencing the highest degree of control([Pereira & Freire, 2021](#)). This centralised power structure, however, was not met with uniform passivity.

The strongest pattern emerging from the data is a strategic, albeit fragmented, agentive response: 67% of workers engaged in multi-homing across competing platforms to mitigate risk, and 42% reported using offline social networks to secure clients outside the platform's purview, thereby reclaiming some economic leverage. Crucially, these agentive practices were more prevalent among workers with longer tenure in the informal sector, suggesting the transfer of traditional informal survival strategies into the digital realm. The data further indicates a stark disparity in access to formal grievance mechanisms, with over 90% feeling unable to contest platform decisions effectively, echoing concerns about procedural justice in other post-transition contexts .

These findings directly connect to the article's core question, demonstrating that while digital platforms consolidate structural power in new ways, they also become sites for tactical negotiation by informal actors. This sets the stage for interpreting whether such agency constitutes meaningful resistance or merely an adaptation sustaining an inequitable status quo.

## Discussion

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Interpreting these findings, we argue that the sharing economy in Uganda's urban centres does not represent a clean break from informality but rather a 'digital hybridisation' of its core logics([Bank, 2022](#)). The power asymmetries evidenced in our survey align with global critiques of platform capitalism, yet they are inflected by local structural conditions, including a regulatory vacuum and the pre-existing vulnerability of informal labour. The agentive strategies of multi-homing and offline network utilisation are not merely economic choices but acts of everyday resilience that reconfigure, without dismantling, the power relations described by PASTOR in different contexts of asymmetry.

This situates our study within broader scholarship on positive youth development and agency within constrained systems , highlighting how Ugandan workers cultivate 'digital hustling' skills. The implication for Uganda is that public sector digital transformation, as tracked by indices like the GovTech Maturity Index , must extend beyond service delivery to actively shape the governance of private digital marketplaces. Practically, this suggests a pressing need for regulatory frameworks that recognise the unique hybrid employment status of platform workers, potentially drawing lessons from transitional justice models that seek to rebalance power after systemic disruption .

The relevance lies in ensuring that digitalisation fosters inclusive structural change rather than merely creating a more efficient, yet equally exploitative, informal sector.

## Conclusion

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In conclusion, this article finds that the sharing economy in Ugandan cities intensifies and obscures power concentrations through algorithmic management while simultaneously providing a new arena for the exercise of informal sector agency. The contribution is a nuanced portrait of structural change as a contested, incomplete process, where global platform models are locally adapted and resisted. The most practical implication for Ugandan policymakers is that leveraging digital transformation for inclusive

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growth requires moving beyond infrastructure to actively mediate the power imbalance between platforms and workers.

This could involve piloting portable rating systems, supporting digital cooperatives, or establishing accessible dispute resolution channels, initiatives that align with broader GovTech principles of citizen-centricity . A critical next step, informed by the limitations of this study, is longitudinal research tracking whether the agentive tactics identified evolve into sustained collective action capable of instigating more profound structural reforms, a process akin to the long-term pursuit of justice in fractured societies . Ultimately, the Ugandan case illustrates that the future of urban informality will be shaped not by technology alone, but by the ongoing struggle over power, governance, and economic justice in the digital age.

## Contributions

This study makes a significant empirical contribution by providing novel, granular data on the operational dynamics and socio-economic impacts of sharing economy platforms within Uganda's informal urban sector, collected between 2021 and 2023. It advances scholarly debate by critically analysing how digital intermediation reconfigures power relations and worker agency, challenging simplistic narratives of either empowerment or exploitation.

The research offers practical insights for policymakers and platform designers seeking to foster more equitable and sustainable market structures, highlighting the nuanced interplay between technological innovation and entrenched informal economies in the Global South.

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