



Work and Equalities Institute Research Briefing

The Politics of Platform Work Reform: Why Spain and Chile Took Different Paths

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Martin-Caballero, A. (2026). The politics of platform work reform: How institutions, power and enforcement shape regulatory divergence in Spain and Chile. Economic and Industrial Democracy, 1–25. DOI: <https://doi.org/10.1177/0143831X261459004>

Available at: <https://journals.sagepub.com/doi/10.1177/0143831X261459004>

1. Summary

Digital labour platforms have transformed labour markets worldwide. Governments have responded with increasingly ambitious efforts to regulate platform work, yet reforms vary widely in design and outcomes. Why do some countries strengthen employment protections while others institutionalise self-employment?

Drawing on approximately 50 interviews with policymakers, trade union representatives, labour inspectors, legal experts and other stakeholders, alongside documentary analysis, Angel Martin-Caballero compares two influential reforms: Spain's Rider Law and Chile's Digital Service Platforms Act. The findings show that regulatory outcomes cannot be explained by legal design alone. Reforms emerge from political processes shaped by institutions, power struggles and enforcement. In Spain, trade unions, labour inspectors and worker organisations built a coalition that pushed platform work towards standard employment relationships. In Chile, business actors and political elites promoted a more flexible framework centred on self-employment.

The research also shows that legislation is only one stage of regulatory change. The long-term impact of reform depends on whether governments, labour inspectorates and other actors can enforce rules and respond to company strategies that limit compliance.

2. Looking beyond legal reform

Much of the debate around platform regulation focuses on legislation itself. However, legal reforms do not emerge in a vacuum. This research argues that platform work reform should be understood as a sequence of political processes involving three interconnected stages:

- **Institutional power:** Existing institutions shape which actors can influence regulatory debates and how. Trade unions, labour inspectorates, courts, employers' organisations and government agencies all possess different resources and capacities. These institutional arrangements influence whether workers can effectively challenge platform business models and push for legal change.
- **Political windows of opportunity:** Major political events can transform regulatory debates and open up new opportunities for reform. The COVID-19 pandemic played a particularly important role by exposing the vulnerabilities of platform workers and increasing pressure on governments to act. Crises can create new opportunities for coalitions to form around reform proposals.
- **Enforcement and compliance:** Regulatory change does not end when a law is passed. Companies, workers, trade unions and regulatory agencies continue to contest the meaning of new rules through everyday enforcement practices. The effectiveness of reform depends heavily on these post-legislative struggles.

3. Spain: Building reform through institutional mobilisation

Spain's Rider Law is widely regarded as one of the most ambitious platform work reforms in Europe. However, the reform emerged from years of conflict involving workers, trade unions, courts and labour inspectors.

3.1. Early challenges to platform business models

Beginning around 2017, labour inspectors and worker organisations increasingly challenged the classification of riders as self-employed contractors, a practice known as bogus self-employment.

Trade unions supported grassroots rider organisations and legal cases against major delivery platforms. Labour inspections uncovered widespread false self-employment, while courts increasingly recognised riders as employees.

A key turning point came when Spain's Supreme Court ruled in 2020 that a Glovo rider should be classified as an employee. This judgment strengthened the position of reform advocates.

3.2. COVID-19 and the Rider Law

The pandemic created a favourable political environment for reform. Platform workers became highly visible as essential workers, while the government pursued broader labour market interventions.

Trade unions, labour authorities and the centre-left government formed a coalition in favour of reform. Although business actors promoted self-employment models, political momentum favoured stronger regulation.

The result was the Rider Law of 2021, which introduced a legal presumption of employment for delivery riders and established algorithmic transparency obligations.

3.3. Reform did not end the conflict

The Rider Law did not immediately transform the sector. Many firms developed strategies to minimise disruption to their business models. Some sought to preserve flexible labour management through subcontracting.

In response, labour inspectors intensified enforcement and governments introduced measures to strengthen compliance. Over time, sustained enforcement pressure pushed much of the sector towards employment contracts. Nevertheless, conflicts over subcontracting persist, highlighting the limits of legal reform alone.

4. Chile: Regulation through elite-led policymaking

Chile followed a markedly different path. Rather than moving towards employment classification, policymakers created a hybrid framework that formally recognised both employment and self-employed platform workers, extending some limited protections to the latter.

4.1. Weaker institutional pressure

In contrast to Spain, labour institutions played a more limited role during the early stages of platform expansion. Attempts to challenge platform business models through the courts produced few significant victories. Labour inspectors adopted a cautious approach and avoided determining employment status.

Without sustained institutional mobilisation by labour actors, business interests and market-oriented policymakers exerted greater influence over regulatory debates.

4.2. The pandemic revives debate

As in Spain, COVID-19 increased attention on working conditions in the platform economy. The government responded by creating a multi-stakeholder technical roundtable involving employers, unions, experts and public officials.

However, unlike Spain, the political balance favoured actors promoting flexibility and self-employment. Regulatory proposals increasingly focused on extending basic protections without challenging existing business models.

This approach culminated in the Digital Service Platforms Act of 2022.

4.3. A different regulatory outcome

Chile's reform allows platform workers to be classified either as employees or as "independent platform workers". Although the law introduced some protections, it stopped short of creating a presumption of employment.

In practice, self-employment remains the dominant model across the sector. While the reform has improved tax registration and expanded some forms of social protection, it has produced limited changes in employment status and relatively modest improvements in broader working conditions.

5. Why did the two countries diverge?

The comparison highlights three important explanations for regulatory divergence.

- **Institutions matter:** Industrial relations shaped participation in regulatory debates. Spanish unions and labour inspectorates had stronger institutional resources to challenge platforms, whereas Chilean institutions had fewer opportunities to influence outcomes.
- **Coalitions matter:** Reforms depended on coalition-building. In Spain, unions, inspectors and government actors aligned to support stronger worker protections, whereas in Chile, coalitions favouring flexibility and self-employment were more influential.
- **Enforcement matters:** Legal change depended on implementation. Spain's reforms had a greater impact because inspectorates, courts and governments continued to enforce compliance, whereas Chile's reform faced weaker enforcement and greater uncertainty over employment classification.

6. Lessons for policymakers

Three broad lessons emerge from this research.

1. Platform work reforms are not solely determined by legal design. The political processes that lead to reform, and the old and new industrial relations involved in the platform economy, strongly influence outcomes.
2. Enforcement is just as important as legislation. Even ambitious legal reforms can produce limited results if governments lack the capacity or political will to ensure compliance.
3. Debates about platform work should not focus exclusively on employment classification. Questions of enforcement capacity, the role of intermediaries and other forms of outsourcing, and algorithmic management are equally important.

As governments around the world continue to experiment with platform regulation, understanding these broader political dynamics will become increasingly important.

7. Conclusion

The experiences of Spain and Chile illustrate that platform work reform is not a single legislative event but an ongoing political process.

While both countries sought to address similar challenges, they produced markedly different outcomes. Spain moved towards employment-based regulation through institutional mobilisation and enforcement, yet business contestation remains strong and subcontracting prevails. Chile adopted a more flexible framework that institutionalised self-employment while extending limited protections, yet its weakness means that even these new rules are not properly enforced.

These differences reflected not only legal choices but also the ability of labour and business actors to mobilise power across reform stages. Ultimately, the effectiveness of platform regulation depends not only on legislation but on the institutions, coalitions and enforcement mechanisms that sustain it.