



The Morality of Flexing: An Analysis of Unethical Recruitment Strategies in Digital Gig Economy from Religious Perspective

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Abstract

The rapid growth of the digital gig economy has produced a controversial new profession: binary options platform affiliates who employ “flexing” strategies, or the excessive display of wealth, to attract public interest. This phenomenon poses a serious challenge within Human Resource Management (HRM), as it relies on psychological manipulation and misleading information in recruiting new users or partners. Such practices often entrap individuals in speculative and frequently illegal systems that substantively resemble online gambling. This study aims to analyze the morality of flexing-based recruitment strategies through the lens of HRM ethics and cross-religious perspectives, particularly Islam and Christianity, in order to examine their social and spiritual implications. The research adopts a qualitative method with descriptive and comparative approaches, focusing on positive law and religious norms in Indonesia and Singapore. The analysis covers affiliate marketing practices alongside religious teachings related to ethical livelihood and honesty. Flexing is identified as an unethical recruitment strategy that violates transparency and professional integrity, where commissions are derived from others’ losses. In Islamic perspective, this practice constitutes Riya (ostentation) and supports Maysir (gambling) and Gharar (uncertainty/deception), all strictly prohibited in Islamic economic law. From a Christian perspective, it contradicts principles of honesty and warnings against the love of money. The study concludes that flexing reflects a moral crisis in digital recruitment, requiring ethical integration to strengthen regulation and protect society.

Keywords: Digital gig economy, flexing recruitment, HRM ethics, religious morality.

Introduction

The rapid advancement of information technology has transformed the global landscape of financial transactions through the phenomenon of Financial Technology (Fintech).¹ While these innovations provide the public with easy access to various digital investment instruments, they also present new ethical challenges in marketing and recruitment practices. One prominent phenomenon is the emergence of Binary Option platforms, an all-or-nothing investment contract instrument that has sparked debate regarding the line between investment and gambling. In Indonesia, these platforms are not recognized as legitimate commodities and are categorized as illegal activities by the Commodity Futures Trading Regulatory Agency (Bappebti). As of January 10, 2025, oversight of crypto assets and digital finance has been transferred to the OJK, while Bappebti remains focused on regulating commodity futures trading (such as gold/forex), warehouse receipt systems, and auction markets.²

The main issue in this ecosystem lies in the role of affiliates, who act as both marketing agents and “recruiters” of customers through social media. From a Human Resource Management (HRM) perspective, affiliates perform an unconventional recruitment function, in which they encourage the public to use unique referral codes to join the platform. The primary strategy employed is “flexing”—the practice of flaunting luxury items such as sports cars and mansions to create the public perception that such wealth is acquired instantly through trading. This practice constitutes a form of information manipulation aimed at targeting individuals with low financial literacy who harbor a strong desire to get rich quickly.

From an ethical management perspective, the affiliate compensation system is highly problematic because it is based on profit-sharing from client losses (loss-sharing). Affiliates reportedly receive commissions ranging from 70% to 80% of the total value of losses incurred by clients registered under their network. This type of incentive structure creates a severe conflict of interest and encourages unethical marketing practices that disregard moral integrity in pursuit of personal financial commissions.

From an Islamic economics perspective, this practice directly conflicts with the prohibitions against *Maysir* (gambling) and *Gharar* (excessive uncertainty). Islam strictly forbids people from acquiring wealth through unjust means or in ways that harm others. Allah SWT states: “And let not some of you devour the wealth of others among you through unjust means...” (QS. Al-Baqarah: 188). The “flexing” strategy employed by affiliates also falls under the categories of *Riya* (showing off) and *Ujub* (excessive self-praise), which the Prophet Muhammad SAW described in a hadith as corrupters of deeds and morality. Profiting from the losses of others (clients who have suffered losses) constitutes a grave violation of the principle of honesty in commerce (*As-Sidqu*).

From a Christian perspective, integrity in work and in earning a living is a form of worship of God. Recruitment practices that promise instant wealth through means that harm others are contrary to the principle of love for one’s neighbor. The Bible warns of the dangers of greed: “For the love of money is the root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs.” (1 Timothy 6:10). Furthermore, God detests the use of “unfair scales” or the manipulation of facts for one’s own gain. Proverbs 11:1 states, “A false

¹ Sumarni Sumarni et al., “From Vision to Practice: Comparative Dynamics of Islamic Economics in Indonesia and Malaysia,” *Jurnal Ilmiah Mizani: Wacana Hukum, Ekonomi Dan Keagamaan* 12, no. 2 (October 2025): 652, <https://doi.org/10.29300/mzn.v12i2.7685>;

² Peraturan Menteri Perdagangan Nomor 31 Tahun 2023. (2023). <https://jdih.kemendag.go.id/peraturan/stream/2576/2>

balance is an abomination to the Lord, but a just weight is His delight.” The practice of affiliates providing false signals (spoofing) that result in customer losses in order to earn commissions is a form of dishonesty that is theologically condemned.

This study aims to conduct a comparative analysis between Indonesia and Singapore to examine how these two countries provide legal protection for consumers against the pitfalls of unethical affiliate marketing strategies. By examining aspects of human resource management, law, and religious perspectives, this study is expected to provide insights for policymakers in developing a more civilized and equitable regulatory framework for fintech.

Literature Review

The growth of the digital economy has given rise to a new work model known as the gig economy, a labor market system characterized by short-term contracts or freelance work mediated by digital platforms. Absori et al. (2025), in their study on compensation management in the gig economy era, explain that this shift often creates information asymmetry between platforms and workers, where recruitment is no longer handled by conventional HR departments but through massive affiliate networks.³ This is consistent with the view of Burtch et al. (2025), who emphasize that talent management in the digital ecosystem often disregards ethical recruitment standards in pursuit of exponential user growth.⁴ In this context, affiliates are not merely marketers, but rather “external recruitment” units that play a crucial role in the business cycle of digital platforms.

One of the most prominent phenomena in this digital recruitment strategy is the use of flexing behavior. The Multidisciplinary Journal Sahombu (2025) analyzes the culture of flexing in mass media communication as a form of hyperreality, where the visual display of wealth on social media aims to manipulate the audience’s perception of financial success.⁵ Susila (2023) adds that this behavior is part of a digital lifestyle aimed at instantly establishing social legitimacy.⁶ For binary options affiliates, bragging rights have become the primary recruitment tool to convince potential clients that this speculative instrument is a shortcut to wealth. There is a contradictory reality: the affiliate compensation structure is not based on professional performance, but rather on a loss-sharing scheme in which affiliates receive commissions ranging from 70% to 80% of the total value of losses incurred by the clients they recruit.⁷

From a theological perspective, the ethics of earning a living and professional integrity serve as the primary foundation for assessing the morality of this practice. From an Islamic perspective, Sauri (2023), through his study *Ma’ani Al-Hadith*, explains that the phenomenon of flexing is a manifestation of the behaviors of *riya* (showing off) and *ujub* (self-conceit), which inherently undermine the moral values of work.⁸ Furthermore, recruitment activities that lure individuals into transactions involving

³ Absori, H. Q., dkk. (2025). *Manajemen Kompensasi dalam Ekonomi Gig: Strategi, Tantangan, dan Solusi*. Surakarta: Naga Pustaka, hal. 42-45.

⁴ Burtch, G., dkk. (2025). “Talent Management Strategies in the Gig Economy: Challenges and Opportunities for Modern Organizations”. *International Journal of Educational Research (IJEDR)*, Vol. 20, No. 2, hal. 112-115.

⁵ Jurnal Multidisiplin Sahombu. (2025). “Hyperreality in the Flexing Culture of Mass Media Communication”. Vol. 4, No. 1, hal. 88-92.

⁶ Susila, A. A. (2023). “Lifestyle: Flexing Behavior in Social Media”. *International Journal of Economics (IJEC)*, Vol. 2, No. 1, hal. 15-18.

⁷ Rivan Kurniawan, ‘Bongkar Pendapatan Affiliator Binary Option B1N0M0, Bikin Geleng-Geleng Kepala’ (Indonesia: Youtube, 2022) Length: 6:48-10:35.

⁸ Sauri, M. S. (2023). “Fenomena Flexing dalam Pandangan Hadis (Studi Ma’ani Al-Hadith)”. *Jurnal Studi Al-Qur’an dan Hadis*, UIN KHAS Jember, hal. 67-70.

Maysir (gambling) and Gharar (uncertainty) are strictly prohibited, as they harm the public interest for the sake of the profit of a handful of digital marketing agencies. The principle of honesty in trade (As-Sidqu) requires every digital worker to transparently communicate product risks and facts, rather than concealing them behind deceptive packaging of luxury.

In line with this, Christian ethics emphasizes the concepts of stewardship and moral responsibility toward others. The Widya Agape Journal (2024) affirms that business and work must be built on the foundation of love and justice, where every individual is called to be honest in every aspect of economic transactions.⁹ The Bible clearly warns that the love of money is the root of all evil (1 Timothy 6:10), which, in the context of today's digital economy, is reflected in the exploitative behavior of affiliates who amass wealth from the financial suffering of others. The International Research Journal of Modernization in Engineering Technology and Science (2025) also underscores the importance of biblical insights in avoiding greed and poor financial management, emphasizing that integrity is the primary asset that must never be compromised in any profession in the digital age.¹⁰

Result and Discussion

Analysis of Affiliate Recruitment Strategies: Psychological Manipulation Through the Culture of Flexing

In the dynamics of the digital economy, the recruitment process no longer takes place solely within the confines of a formal office setting but has shifted to the public sphere of social media. Pande Putu et al. (2021) explain that the use of public figures as promoters of illegal investment content is a deliberate strategy aimed at appealing to the emotional side of potential clients.¹¹ The primary strategy identified in this study is the culture of flexing, in which affiliates consistently flaunt luxury items such as sports cars, mansions, and an exclusive lifestyle to construct a narrative of instant success. This recruitment pattern is highly effective because it employs “hyperreality” techniques, where content is packaged as attractively as possible to target a market segment of the population with low financial literacy who yearn for rapid economic improvement.

The culture of flexing within the gig economy ecosystem is not merely viewed as a display of wealth but rather as a highly effective recruitment tool because it adopts the “hyperreality” technique. The concept of hyperreality, developed by Jean Baudrillard, describes a condition where images or simulations of reality become more real than reality itself. The Multidisciplinary Journal Sahombu (2025) explains how affiliates create a simulated world where financial success is portrayed as simple as clicking a phone screen, ultimately attracting people with low financial literacy but high economic urgency. [^3] Burtch et al. (2025), in their research on digital talent management strategies, add that this visual manipulation is often supported by the use of fake social proof, which makes potential customers feel they are missing out (Fear of Missing Out) if they do not participate in the promoted activities.¹²

⁹ Jurnal Widya Agape. (2024). “Business Ethics from a Theological Perspective: Building a Business Based on Love and Justice”. Vol. 5, No. 1, hal. 34-37.

¹⁰ International Research Journal of Modernization in Engineering Technology and Science (IRJMETS). (2025). “Biblical Insights on Avoiding Greed and Financial Mismanagement”. Vol. 7, No. 9, hal. 210-214.

¹¹ Pande Putu R. P., dkk. (2021). “Sanksi Pidana Terhadap Para Pemasang Dan Promosi Iklan Bermuatan Konten Judi Online”. *Jurnal Preferensi Hukum*, Vol. 2, No. 2, hal. 345-348.

¹² rtch, G., dkk. (2025). “Talent Management Strategies in the Gig Economy: Challenges and Opportunities for Modern Organizations”. *International Journal of Educational Research (IJEDR)*, Vol. 20, No. 2, hal. 104-109.

From an epistemological perspective, this flex-based recruitment strategy constitutes a form of information manipulation that violates managerial integrity. As Susila (2023) emphasizes, show-off behavior on social media often does not reflect sound economic realities, but rather serves as a tool for creating false social proof.¹³ From an Islamic perspective, this action falls under the categories of *Riya'* and *Ujub*, which undermine the essence of work as a form of worship, since the primary motivation is the deliberate misrepresentation of information for personal gain. Similarly, from a Christian perspective, the manipulation of facts to pursue financial gain is viewed as a “skewed balance” that constitutes an abomination in the eyes of God, as it disregards love for one’s neighbor in favor of greedy material ambition. In the practice of illegal digital platforms, this misinformation reaches its peak in predatory compensation systems. Unlike reward systems in healthy organizations that provide incentives for productivity, affiliate compensation systems are rooted in loss-sharing schemes, where profits are derived from the financial losses of those they recruit. This creates a conflict of interest that is morally unjustifiable under any modern business ethics.

When this phenomenon is analyzed through the lens of Islam, flexing-based recruitment practices fall into the categories of *Riya'* (showing off) and *Ujub* (excessive self-praise), which fundamentally undermine the essence of work as a form of worship to Allah SWT. Sauri (2023) explains that in the hadith of the Prophet Muhammad SAW, such behaviors are viewed as diseases of the heart that can damage the social order because they are built on a foundation of arrogance and deception.¹⁴ The primary motivation of affiliates who engage in deceptive practices (*Tadlis*) for personal gain is in direct conflict with the principle of honesty in commerce (*As-Sidqu*). Allah SWT explicitly warns in the Qur’an: “And do not let some of you consume the wealth of others among you through unjust means...” (QS. Al-Baqarah: 188). Based on this verse, any form of wealth acquisition based on manipulation, gambling (*Maysir*), or deliberate uncertainty (*Gharar*) is haram under Islamic law because it disregards the principle of the public good for the sake of individual material ambition.

In line with this perspective, from a Christian viewpoint, integrity in work and earning a living is seen as a divine mandate to be an honest steward of God’s blessings. Recruitment practices that promise instant wealth through exploitative means are deeply at odds with the commandment to love one’s neighbor. The International Research Journal of Modernization (2025) underscores the Bible’s stern warning regarding the dangers of greed: “For the love of money is the root of all evil. For by pursuing money, some have strayed from the faith and pierced themselves with many sorrows.” (1 Timothy 6:10).

Furthermore, God explicitly declares His abhorrence of the manipulation of facts or dishonesty in every aspect of the economy. Proverbs 11:1 states unequivocally: “A false balance is an abomination to the LORD, but a just weight is His delight.” The practice of sending false signals and manipulating data through flexing content is a modern manifestation of such a “false balance,” where truth is sacrificed in pursuit of one-sided gain.

From a sociological and managerial perspective, the impact of these unethical recruitment strategies has triggered a widespread crisis of trust in the digital financial services industry. Recent media reports from various national economic news channels (2024–2025) document an increase in the number of victims suffering material losses and psychological distress due to being trapped

¹³ Susila, A. A. (2023). “Lifestyle: Flexing Behavior in Social Media”. *International Journal of Economics (IJEC)*, Vol. 2, No. 1, hal. 20-22.

¹⁴ Sauri, M. S. (2023). “Fenomena Flexing dalam Pandangan Hadis (Studi Ma’ani Al-Hadith)”. *Jurnal Studi Al-Qur’an dan Hadis*, UIN KHAS Jember, hal. 55-61.

in affiliate flexing narratives. This highlights the need to reformulate HR management policies in the fintech sector to prioritize professional ethics and social responsibility. Strict oversight, as implemented by the Monetary Authority of Singapore (MAS) regarding financial influencers in Singapore, can serve as an important reference, where every promotion of financial products must be accompanied by honest and transparent risk disclosures. Without a strong moral foundation and robust regulations, the digital economy will merely become a new arena for exploitation that undermines the spiritual and economic fabric of society.

The Morality of Compensation: Conflicts of Interest in Loss-Sharing Schemes

Compensation systems in contemporary human resource management (HRM) are not merely administrative mechanisms for distributing wages, but rather a manifestation of the social and moral contract between the organization, employees, and society at large. Rosyid et al. (2024), in their study on the concept of compensation, emphasize that fair and adequate compensation is a strategic instrument for aligning individual goals with sound organizational ethics.¹⁵ In good corporate governance, compensation is designed to drive productivity that adds value for all stakeholders. However, the current digital economic landscape faces critical ethical challenges with the emergence of illegal financial platforms that adopt fundamentally flawed incentive structures, namely loss-sharing schemes.

The main pillars of effective compensation management are transparency and a sense of fairness (equity). Septiani et al. (2024) explain that an effective compensation system design must be able to motivate performance without violating legal and moral boundaries.¹⁶ This stands in stark contrast to practices on binary options platforms, where affiliates operate under predatory compensation schemes. In this model, affiliates do not receive compensation for honest consulting services, but instead receive a cut of 70% to 80% of every loss incurred by the clients they recruit. This type of incentive structure creates an acute and destructive conflict of interest: affiliates actually reap maximum financial gain when the clients they bring in face bankruptcy or failed transactions.

Epistemologically, this concept of compensation based on the suffering of others violates the very essence of compensation as “reward for performance.” In traditional management theory, wages are compensation for value creation. However, in a loss-sharing scheme, the “performance” being rewarded is the agent’s ability to lead others into financial ruin. Sulistyowati et al. (2025) emphasize that strategies to mitigate ethical issues in HR management during the digital transformation era require policies that ensure a fair and safe work environment.¹⁷ When an employee’s compensation is based on the failure of the party they serve, the integrity of that profession has collapsed and turned into marketing malpractice.

This phenomenon can be analyzed more sharply through Agency Theory, where there is a conflict of interest between the agent (affiliate) and the principal (customer). In a healthy professional relationship, the agent should act in the principal’s best interest. However, loss-sharing schemes break this chain of integrity, as the agent has a strong incentive to provide misleading information for personal gain. This creates an ecosystem referred to by experts as a “predatory economy,” where

¹⁵ Rosyid, M., dkk. (2024). “KONSEP KOMPENSASI DALAM MANAJEMEN SUMBER DAYA MANUSA”. *Pendas: Jurnal Ilmiah Pendidikan Dasar*, Vol. 9, No. 2, hal. 7033–7042.

¹⁶ Septiani, S., dkk. (2024). *Manajemen Kompensasi*. Yogyakarta: Sada Kurnia Pustaka, hal. 15–22.

¹⁷ Sulistyowati, W. P., dkk. (2025). “Strategi Untuk Mengurangi Problema Etika Dalam Manajemen Sumber Daya Manusia Di Era Transformasi Digital”. *Jurnal Ekonomi Manajemen Sistem Informasi*, Vol. 6, No. 3, hal. 1402–1410.

the growth of digital platforms is fueled by the exploitation of the economic vulnerabilities of the lower classes, who have limited financial literacy.

From an Islamic economic perspective, the practice of sharing profits derived from others' losses constitutes a grave violation of the principles of Muamalah. Islam requires that every economic transaction be based on the principles of justice, transparency, and the common good (mashlahah). The principles of halal and tayyib in the provision of compensation require that the source of funds used to pay wages be free from prohibited elements, including Maysir (gambling) and Gharar (uncertainty).¹⁸ Loss-sharing schemes essentially involve a strong element of gambling, in which one party's gain is derived directly from another party's loss within a zero-sum game.

Allah SWT explicitly forbids the acquisition of wealth through unjust means, as He states in the Qur'an: "And do not consume one another's wealth unjustly..." (QS. Al-Baqarah: 188). This verse affirms that any form of commission derived from exploiting the failures of fellow human beings constitutes haram wealth devoid of divine blessing. From an Islamic perspective, affiliates bear a spiritual responsibility to ensure that every penny they receive stems from services that provide tangible benefits, not from luring others into deadly speculation.

Kholil and Wardi (2025), in their analysis of Maqashid Al-Syariah, state that speculative investment practices driven by affiliates contradict the principle of Hifdz al-Mal (protection of wealth).¹⁹ Human resource management in Islam views industrial relations not merely as material employment contracts, but as part of a divine trust. Therefore, compensation schemes that encourage individuals to lie in order to reap commissions from others' losses are viewed as a betrayal of that trust. Moral integrity in the workplace is non-negotiable and cannot be traded for any percentage of profit-sharing, no matter how high.

In line with this, Christian ethics places a strong emphasis on the concept of stewardship and moral responsibility toward others. The Bible issues a stern warning that work is not merely about material accumulation, but about service and love for fellow human beings as the image of God. Recruitment and compensation strategies rooted in greed are viewed as the root of all evil. As written in Scripture: "For the love of money is the root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs." (1 Timothy 6:10).

In the context of business management, Christian ethics demand "fair scales" that is, absolute honesty in every economic transaction. God detests the practice of manipulating facts for one-sided gain, which is clearly stated in the Book of Proverbs: "A false balance is an abomination to the LORD, but He delights in a just weight." (Proverbs 11:1). The loss-sharing compensation system is a modern manifestation of such a "crooked scale," where affiliates hide real risks behind flashy packaging to lure people into financial losses.

The Widya Agape Journal (2024) emphasizes that business must be built on a foundation of love and justice, not on exploitation.²⁰ Theologically speaking, this diverts humanity from its ideal role as a just steward of God's blessings, and instead turns it into an instrument of greed that undermines the dignity of others. An ethical digital worker should be a source of solutions to customers' financial problems, not a party that deepens the chasm of their poverty through manipulated information.

¹⁸ Jurnal Dinamika Ekonomi. (2025). "Manajemen Kompensasi dalam Perspektif Islam". *Jurnal Ilmiah Binamandiri*, Vol. 1, No. 2, hal. 25-28.

¹⁹ Kholil, M., & Wardi, M. C. (2025). "Binary Options as an Investment Practice from the Perspective of Maqashid Al-Syariah". *Jurnal Ilmiah Ekonomi Islam*, Vol. 9, No. 2, hal. 135-140.

²⁰ Jurnal Widya Agape. (2024). "Business Ethics from a Theological Perspective: Building a Business Based on Love and Justice". Vol. 5, No. 1, hal. 34-39.

Furthermore, the social impact of this moral breakdown in compensation is clearly evident in the crisis of public trust in the Fintech industry as a whole. Recent media reports from various national economic news outlets during the 2024–2025 period continue to document tragic cases where customers have lost their future savings. This demonstrates that without robust regulation, the digital economy will remain a breeding ground for fraud perpetrated by speculators lacking moral integrity. Policy reforms regarding compensation in this sector are urgently needed to protect the broader public interest.

In response to this global phenomenon, international financial authorities have begun tightening the rules. In 2025, the Monetary Authority of Singapore (MAS) issued new, very strict guidelines regarding the accountability of financial influencers or affiliates.²¹ This policy mandates full disclosure regarding the compensation schemes received by marketing agents. The MAS emphasizes that any incentive that creates a conflict of interest between the recommender and the consumer must be prohibited or regulated transparently so as not to harm the general public.

In Indonesia, regulatory strengthening is also beginning to move toward a more disciplined direction. Absori et al. (2025) suggest that compensation management in the gig economy era should be overseen by a certified professional code of ethics.²² This emphasis on professional ethics aims to restore the true nature of a marketer's role as a market educator, rather than as a commission hunter profiting from consumer losses. Digital transformation must not sacrifice human values for the sake of growth in numbers on paper.

Furthermore, professional integrity within the digital ecosystem should be built on the foundation of mutual benefit. If a platform can only survive by siphoning off its customers' wealth through a profit-sharing scheme based on losses, then that business model is morally bankrupt. Companies and digital platforms must be compelled to abandon incentive structures that undermine ethics and shift to systems that value honest productivity. Only in this way can digital transformation truly make a positive contribution to civilization.

Beyond formal regulations, the role of education and religion-based ethical literacy is crucial for young digital workers. They must realize that the blessings of earning a living are far more important than the accumulation of wealth obtained through unjust means. A deep understanding of religious teachings can serve as the last line of defense against the temptations of unethical compensation schemes in the often lawless digital world.

Given the importance of reformulating transcendent educational goals, HR professionals must also reformulate their compensation management objectives. Compensation must be viewed within the framework of horizontal responsibility toward fellow human beings and vertical responsibility toward God. By integrating the values of faith, Islam, and *ihsan* into the workplace, management malpractices such as loss-sharing schemes can be minimized.

The gap between legal regulations and technological realities is often exploited by industry players to legitimize what is morally forbidden. Therefore, a multidisciplinary approach combining law, management, and theology is essential to address the root of this problem. We cannot rely solely on legal provisions that often lag behind digital innovations; rather, we must return to the timeless moral principles instilled by religious teachings regarding economic justice.

²¹ MAS Singapore Regulation Report. (2025). "Guidelines on Digital Marketing and Influencer Accountability". *Official Publication of MAS Singapore*.

²² Absori, H. Q., dkk. (2025). *Digital Human Resource Management: Strategi, Etika, dan Transformasi*. Jakarta: Naga Pustaka, hal. 112-118.

As a conclusion to this analysis, the morality of compensation within loss-sharing schemes constitutes a systemic ethical failure in digital human resources management. The conflict of interest created by this scheme directly undermines the dignity of the workforce and destroys the well-being of customers. Regulatory reform and the strengthening of professional ethics grounded in the noble values of religion are urgent steps that must be taken to safeguard the integrity of the national economy.

The government, through relevant ministries and financial authorities, must strictly prohibit compensation schemes based on consumer losses. Transparency regarding reward structures must be an absolute requirement for the operational licensing of every fintech platform. Without a solid moral foundation, advances in information technology will merely become a new tool for more sophisticated forms of injustice, which will ultimately undermine the nation's social and spiritual order.

Finally, every individual involved in the digital marketing industry must engage in deep reflection regarding their sources of income. Referring back to theological counsel, there is no glory in wealth built upon the ruins of others' lives. The future of Indonesia's digital economy must be built by honest hands, which prioritize love for one's fellow human beings and a fear of accountability in the hereafter.

A Comparative Study of Consumer Protection: Between Absolute Prohibitions and Structured Regulation

The fundamental differences in legal protections for customers are clearly evident when comparing the policies of Indonesia and Singapore, as these two countries represent two major paradigms in responding to digital economic disruption. In Indonesia, the government, through the Commodity Futures Trading Regulatory Agency (Bappebti), has taken drastic preventive measures by completely blocking binary options platforms. Nola Alfiona (2024), in her analysis of transactional legality, argues that this action is based on the fact that the operating mechanism of binary options is purely speculative and does not meet the requirements for a valid contractual object.²³ This is consistent with the view of Lu Sudirman and Hari (2024), who note that Indonesia tends to use a prohibitionist approach based on public morality to protect the public from platforms considered to be online gambling.²⁴

In contrast, Singapore has adopted a more pragmatic and structured approach through strict oversight by the Monetary Authority of Singapore (MAS). As noted in the MAS policy report (2025), Singapore permits binary options trading provided that the entities hold a valid license under the Securities and Futures Act 2001 (SFA) and comply with Capital Markets Services standards.²⁵ Rizky Febrianto and Ariawan Gunadi (2025) note that customer protection in Singapore places greater emphasis on information transparency and technical risk mitigation rather than a blanket ban.²⁶ This comparison highlights a dichotomy between the moral-religious approach in Indonesia and

²³ Nola Alfiona. (2024). "Analisis Legalitas Transaksional Binary Option di Indonesia". *Jurist-Diction*, Vol. 7, No. 1, hal. 122-125.

²⁴ Lu Sudirman & Hari. (2024). "Bentuk Pengaturan Perbankan Digital di Negara Indonesia dan Singapura". *Jurnal Hukum dan Liberty*, Vol. 8, No. 2, hal. 90-93.

²⁵ Monetary Authority of Singapore (MAS). (2025). "Enforcement Report July 2023 - December 2024". *Official Publication of MAS Singapore*, April 2025, hal. 14-16.

²⁶ Rizky Febrianto & Ariawan Gunadi. (2025). "A Comparative Study on Legal Protection for Consumers Using Digital Lending Services". *Rechtsidee*, Vol. 13, No. 2, hal. 45-48.

the technical-professional approach in Singapore regarding the management of digital financial volatility.

The primary challenge in Indonesia stems from the fact that the country is still in the midst of a regulatory transition for fintech following the enactment of the Law on the Development and Strengthening of the Financial Sector (P2SK Law) in 2023. Absori et al. (2025) explain in their study on digital risk management strategies that limitations in technical regulations often result in reactive law enforcement, where customer protection remains heavily reliant on conventional criminal law instruments.²⁷ The lack of specific legal framework in the past has made the mechanism for protecting customers who are victims of affiliates lengthy and convoluted, often resulting in a deadlock in the enforcement of the perpetrators' assets.

In contrast to this situation, Singapore has a highly efficient dispute resolution mechanism through the Small Claims Tribunal (SCT). Johan Ding Kar En (2024) explains in his research at NUS Law that the SCT allows customers to resolve disputes over digital transactions with claims up to a certain value in a concise, fast, and cost-effective manner.²⁸ In addition, the Investor Alert List in Singapore serves as a highly proactive public education tool. This creates an ecosystem where consumers are provided with sufficient information to protect themselves before falling victim to unlicensed speculative investment schemes.

The integration of technology and law in Singapore is also evident in the technology-neutral policy implemented by the MAS. The MAS's annual report (2025) emphasizes that all digital financial activities must yield the same regulatory outcomes as traditional activities to ensure market fairness.²⁹ In Indonesia, efforts to bring about this transformation have begun through the strengthening of the OJK's authority to oversee digital financial assets. However, as noted in a national legal journal (2024), complex bureaucracy often hinders the authorities' ability to respond swiftly to new forms of digital fraud perpetrated by global affiliates.

From an Islamic economic perspective, the absolute prohibition in Indonesia has very strong theological roots regarding the protection of wealth (Hifdz al-Mal). Islam views financial instruments containing elements of Maysir (gambling) and Gharar (uncertainty) as activities that undermine social order. Kholil and Wardi (2025) state in their analysis that the objective of Islamic law is to ensure every transaction provides tangible added value to society.³⁰ The use of Quranic verses explicitly prohibits the acquisition of wealth through unjust means, as He states: "And do not consume one another's wealth unjustly..." (Quran 2:188).

This verse serves as a moral foundation for regulators in Indonesia to remain steadfast in their prohibition policies, as such systems are viewed as merely unfairly transferring wealth from customers to the platform. In line with this, Christian ethics also provide a moral foundation supporting the protection of individuals from economic exploitation. Integrity in work and stewardship are divine mandates requiring honesty in every transaction. The Bible warns that "a false balance is an abomination to the LORD" (Proverbs 11:1), which in a modern context can be likened to algorithmic

²⁷ Absori, H. Q., dkk. (2025). *Digital Human Resource Management: Strategi, Etika, dan Transformasi*. Jakarta: Naga Pustaka, hal. 128-132.

²⁸ Johan Ding Kar En. (2024). "Singapore's Informal Justice Experience: Evaluating the Small Claims Tribunals". *SLR (Singapore Law Review)*, Vol. 41, hal. 110-112.

²⁹ MAS Singapore Regulation Report. (2025). "Technology-Neutral Approach in Digital Asset Services Regulation". *MAS Official Publication*, June 2025, hal. 5-7.

³⁰ Mohammad Kholil & Moch. Cholid Wardi. (2025). "Binary Options as an Investment Practice from the Perspective of Maqashid Al-Syariah". *Jurnal Ilmiah Ekonomi Islam*, Vol. 9, No. 2, hal. 136-138.

manipulation that harms customers.³¹ Affiliate marketing practices that use flashy packaging to deceive others are viewed as a violation of love for one's fellow human beings and a form of greed that is spiritually condemned.

Burtch et al. (2025), in their research on the challenges of digital talent management, emphasize that regulatory differences between countries are often exploited by global platforms to engage in regulatory arbitrage.³² This phenomenon is clearly evident in the fact that platforms banned in Indonesia continue to attempt to reach the local market through affiliates based in jurisdictions with more lenient regulations. This calls for stronger international cooperation in cyber oversight. Singapore, with its high compliance standards, is often cited as a model of how a country can balance technological innovation with rigorous consumer protection.

The lack of digital literacy in Indonesia is also a crucial factor in why a preventive approach such as blocking is prioritized by Bappebti. Without a strong foundation in digital literacy, allowing speculative platforms to operate risks creating a broader social crisis. In contrast, the Singaporean public has a relatively higher level of financial literacy, allowing regulations based on risk disclosure to function effectively. However, as noted in Singapore's latest enforcement report (2025), authorities do not hesitate to revoke the licenses of companies that fail to protect their customers.

From an HR management perspective, these regulatory differences also impact the competency requirements for digital marketing agents in both countries. In Singapore, financial affiliates are required to hold professional certifications if they wish to make product recommendations. Violations of this requirement result in severe administrative and criminal penalties. In Indonesia, the lack of professional standardization for digital affiliates allows anyone to claim to be an investment expert, which ultimately fuels massive marketing malpractice on social media.

The importance of strengthening civilized and fair regulations in Indonesia is now beginning to be accommodated within the framework of the P2SK Law. This law is expected to provide more comprehensive protection for digital derivative assets. However, the effectiveness of these regulations will heavily depend on the authorities' capacity to oversee the dynamic cyberspace. Strong law enforcement must be accompanied by moral education rooted in religious values to shield society from the allure of wealth not grounded in tangible work.

Moreover, transparency in compensation schemes constitutes a crucial aspect that has been adopted in Singapore but remains weak in Indonesia. Under MAS regulations (2025), every affiliate is required to publicly disclose the amount of incentives they receive from the platform. This policy aims to eliminate conflicts of interest that may harm customers. In Indonesia, many users are unaware that affiliates' profits are actually derived from their losses, due to the absence of mandatory disclosure of such profit-sharing schemes in marketing content.

In line with Dinar Dewi Kania's perspective on the importance of reformulating transcendental educational objectives, customer protection policies in Indonesia also need to be reformulated not merely for legal certainty but to uphold human dignity. Digital risk management should not be viewed solely as a matter of numbers and algorithms, but as an effort to protect the right to life and social welfare. The integration of religious values and positive law will create a more holistic protection system capable of resisting the harmful temptations of destructive financial innovations.

³¹ Jurnal Widya Agape. (2024). "Business Ethics from a Theological Perspective: Building a Business Based on Love and Justice". Vol. 5, No. 1, hal. 35-37.

³² Burtch, G., dkk. (2025). "Talent Management Strategies in the Gig Economy: Challenges and Opportunities". *International Journal of Educational Research (IJEDR)*, Vol. 20, No. 2, hal. 118-120.

The use of cyber technology in monitoring financial transactions in Singapore can serve as a model for Indonesia in strengthening its Early Warning System. Singapore utilizes artificial intelligence to detect suspicious transaction patterns and misleading advertisements in real time. Indonesia, with its vast geographical scope and large population, requires similar technological investment to ensure that the prohibition of illegal platforms can be effectively enforced throughout the entire territory without exception.

From a sociology of law perspective, public compliance with investment regulations is strongly influenced by trust in authorities. In Singapore, high public trust in MAS ensures that the Investor Alert List is well observed by citizens. In Indonesia, the challenge for Bappebti and OJK is to restore public trust after numerous fraudulent investment cases involving prominent figures. Strengthening the internal integrity of supervisory authorities is an absolute requirement to ensure that customer protection regulations do not merely become symbolic in the face of technologically sophisticated affiliates.

Theologically, both Islam and Christianity emphasize that every individual is responsible for the welfare of others. The Christian teaching, “Love your neighbor as yourself,” requires economic actors not to profit from others’ ignorance. Similarly, the Islamic principle of Ihsan demands professionalism and excellence in all forms of work. An effective customer protection strategy is one that translates these noble values into applicable and firm regulatory provisions.

As a closing note to this comparative analysis, Indonesia can learn from Singapore in building legal infrastructure and practical dispute resolution mechanisms such as the Small Claims Tribunals (SCT). Conversely, Singapore may also recognize that Indonesia’s moral approach holds fundamental value in maintaining social stability against the adverse effects of speculative gambling. The harmonization of legal certainty, disciplined technological supervision, and strengthened religious ethical values is the key to developing a secure digital financial ecosystem.

Reform of Indonesia’s digital consumer protection system can no longer be delayed given the growing number of victims each year. The establishment of an integrated and responsive supervisory body to address cross-border cybercrime is a strategic step that must be realized immediately. Furthermore, enhanced collaboration among authorities, academics, and religious leaders is necessary to raise awareness about the dangers of speculative investments from multiple dimensions of life.

The future of Indonesia’s digital economy must be built upon strong foundations of honesty and justice. Whether through strict prohibition as in Indonesia or structured regulation as in Singapore, the ultimate goal must be to protect human interests as dignified economic subjects. Without strong ethics and regulation, advancements in information technology will merely become new tools for more systematic and hidden forms of economic injustice.

Every customer protection policy must be capable of addressing contemporary challenges without sacrificing moral values. The balance between openness to fintech innovation and the protection of societal rights represents the art of modern governance. It is hoped that this comparative study will contribute to the formulation of more civilized, just, and sustainable policies for Indonesia in facing future digital economic challenges.

Conclusion

The entire series of analyses in this study leads to a transcendent understanding that the transformation of the digital economy, while offering efficiency and accessibility, has created an ethical black hole within human resource management practices. The phenomenon of illegal Binary Options demonstrates that recruitment strategies through a culture of flexing are not merely lifestyle trends, but rather a deliberate psychological manipulation designed to construct a hyperreality for potential customers. Recruitment grounded in integrity should serve as a gateway to mutually beneficial industrial relations; however, within the affiliate ecosystem, it has transformed into a predatory act that exploits cognitive biases and the economic vulnerabilities of society.

Morally, the loss-sharing compensation scheme where profits are derived from customers' losses represents a systemic failure in the design of reward systems. The integrity of digital marketing professionals collapses when financial incentives depend on the failure of those they recruit. This creates an acute conflict of interest, in which agents no longer function as educational partners, but rather as executors of exploitation. As warned in Islamic economic ethics through the prohibition of Maysir (gambling) and Gharar (uncertainty), and in the Bible's condemnation of "dishonest scales" (Proverbs 11:1), such compensation systems constitute a form of economic injustice that distances individuals from the true essence of work as worship and responsible stewardship.

The comparative study between Indonesia and Singapore shows that customer protection requires a balance between moral approaches and technical regulation. Indonesia, through a prohibition-based approach rooted in religious norms, has managed to mitigate the surface-level spread of speculative platforms. However, Singapore offers valuable lessons on the importance of transparent regulatory infrastructure, disciplined oversight by authorities such as MAS, and efficient dispute resolution mechanisms through the Small Claims Tribunal. Ultimately, genuine customer protection does not arise solely from criminal law provisions, but from strengthening ethical literacy among digital workers and ensuring strict state supervision over transparent incentive schemes.

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