

Diversity or Convergence in the Platform Economy?

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The Sharing Economy was introduced with multiple common good claims

increase economic efficiency reduce ecological and carbon footprints increase social interaction, build new dense and durable social ties provide economic opportunity for all reduce wealth and income inequality create cultural diversity

our research calls all of these into question as automatic features of platforms, whether they are for profit or not for profit these outcomes can be difficult to achieve







New Yorkers agree: Airbnb is great for New York City

Airbnb provides supplemental income for tens of thousands of New Yorkers. It also helps the local businesses in our neighborhoods and strengthens our communities. Airbnb is great for NYC.



Join the movement. Visit Airbebryc.com

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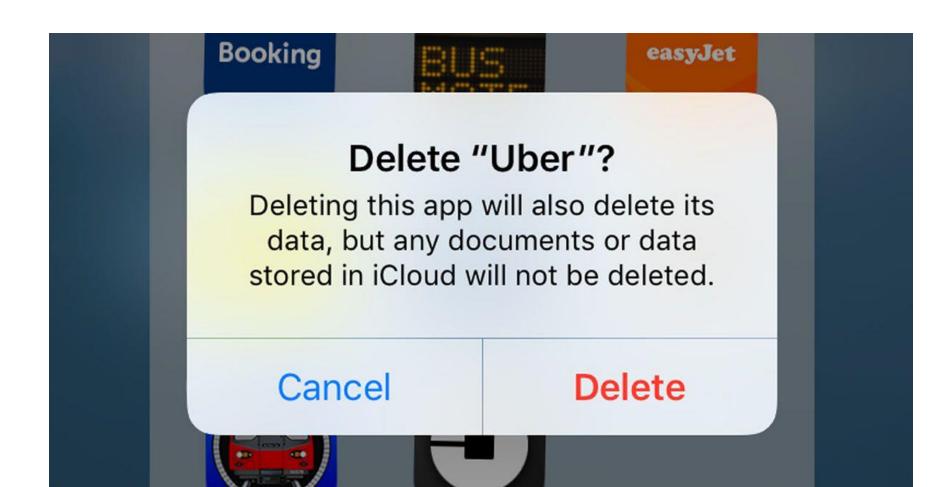
Sharing platforms quickly became controversial

Unfair competition (ignored regulations and broke laws)

Externalities (housing supply, rents, neighborhood quality)



#DeleteUber: gig labor platforms accused of "race to the bottom"
"Uberworked and Underpaid"



MacArthur Project: Connected Consumption & Connected Economy 2011-18

https://tinyurl.com/macschor



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POSTMATES





What

Is
The
Sharing
Economy?

PEER ECONOMY, ACCESS ECONOMY, GIG ECONOMY, COLLABORATIVE CONSUMPTION, SHARING ECONOMY, ON-DEMAND ECONOMY, CIRCULAR ECONOMY, PEER ECONOMY, SHARING ECONOMY, COLLABORATIVE ECONOMY...

The Sharing Economy refers to Consumer Goods and Services, not all platform businesses

Recirculation of used goods

originals: eBay, Craig's List Freecycle, Yerdle, Swapstyle

Loans/rentals of durable assets

lodging shares or rentals, car shares or rentals, neighborhood borrowing platforms

Labor service exchange (gig work)

ridesourcing, Postmates, Task Rabbit, timebanks [what about Uber!!??]

Very varied sector with many types of entities; Although only a few platforms are large



Ownership models

Peer to Peer (P2P) Sharing Economy Classico.

Peers own the assets. Providers and customers are "peers," i.e., non-commercial entities. Examples: Airbnb, BlaBla Car, Neighborgoods

Business to Customer (B2C) Not typically sharing

Business owns the assets, "rents" to customers. Examples: Zipcar, Car2Go

Municipality to Citizen (M2C)? Sharing?

Municipality owns assets and makes available to citizens/visitors (eg, bikeshare) [the old version is the library]

FOR PROFIT

NOT FOR PROFIT

PEER TO PEER





BUSINESS TO PEER





Does exchange of money preclude sharing?



Yes: Common view (eg Russell Belk) "Sharewashing" by companies

Maybe not: Sharing has many meanings

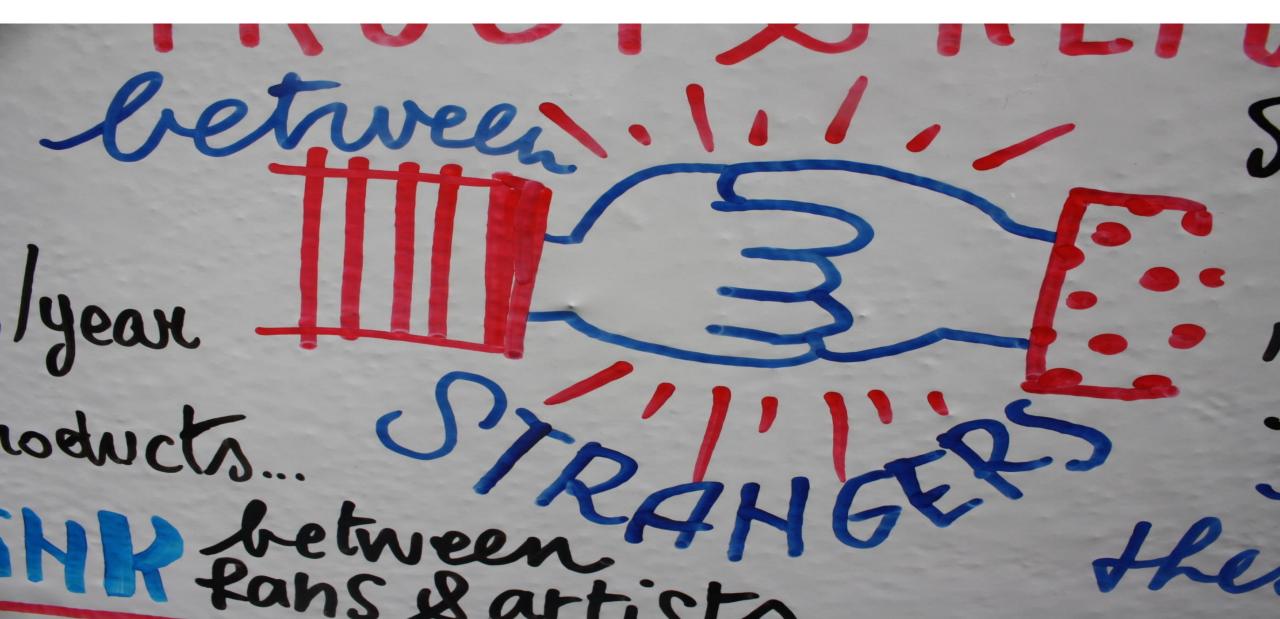
Avoid simplistic view that money is profane

No: Many relationships of sharing involve mutual gain, transfers of resources

Sharing before the internet: among kin and neighbors, within communities



What's new is stranger sharing (enabled by crowd sourcing of ratings and reputational data)



labor market experiences and outcomes: platform dependence

Platform workforces are highly diverse. Most work few hours; a minority are full time.

Dependent: wholly or primarily dependent on the platform for their livelihood; rely on earnings to pay for monthly expenses; roughly equivalent to full-time workers)

Partially-dependent: rely somewhat on partially on platform earnings, but either work on multiple platforms or have part-time jobs, small businesses or other sources of income.

Supplemental: platform earnings are not part of their regular income source, and are considered extra, or supplemental. Many have full-time employment or activity (i.e., schooling).

Coded by answers on survey, interview data

What are the experiences of "providers" on sharing economy platforms? findings from seven for profits (from "Dependence and Precarity" paper)

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Outcomes	Earnings are supplemental	Earnings used for living expenses
Satisfaction	Mixed/low	High
Autonomy	High	Limited
Wages	Can be selective to earn highest wages	Must accept all/most trades/wages lower

Assessing precarity

Case	Is platform activity a response to precarity?	Do platform earnings mitigate precarity?
Airbnb	Generally not	Yes
TaskRabbit	Generally not	Not for dependent earners
Uber/Lyft/Postmates/Favor	Mixed	Not for dependent earners

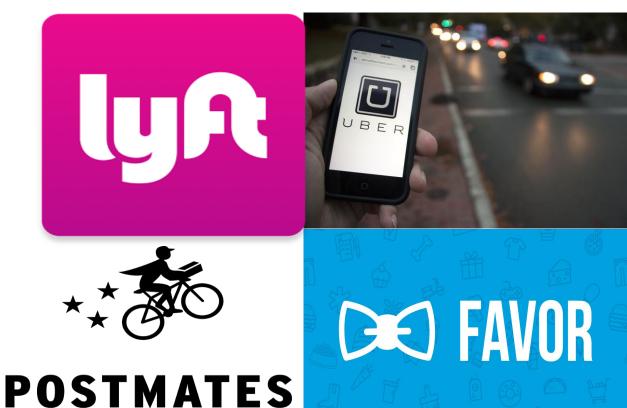
The Platform Hierarchy

Capital v Labor income
Wages
Job control
Race and socioeconomic class of
provider









Diversity or convergence? Neo-liberalization or a path to deeper cooperation?



The context of austerity and the argument for neo-liberalization
Sharing platforms within the technology eco-system

Participants' views
Limits of deep cooperative forms
Is Europe different?
Is it just Airbnb and Uber?

Arguments for convergence:

Sharing platforms as a response to austerity and downward mobility

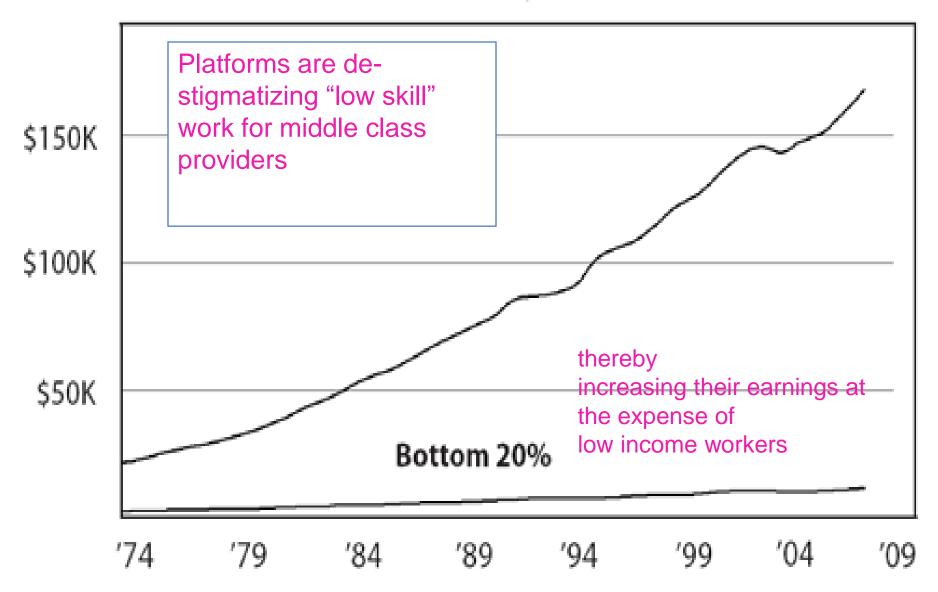


Emerged from the financial collapse of 2008 and subsequent austerity

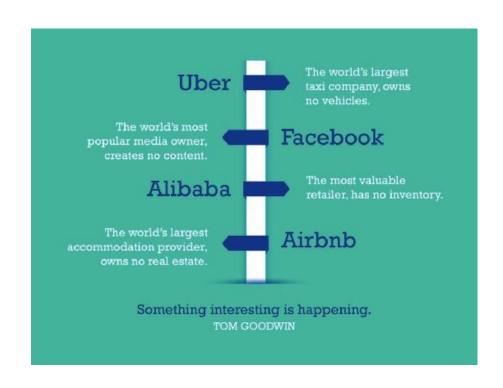
Innovators are young adults (many face limited economic opportunity)

Platforms can be Income Inequality -enhancing

Mean household income: top 20% and bottom 20%



sharing platforms as tech companies



"We are in the midst of a reorganization of our economy in which platform owners are seemingly developing power that may be even more formidable than was that of the factory owners in the early industrial revolution" (Kenney and Zysman 2016, 62).

The public sees "divergence" i.e. a new model

What Americans Think of the Sharing Economy



Nearly 1 in 3 Americans would like to SHARE MORE THINGS like tools and household items



64%
of Americans think sharing lowers
ENVIRONMENTAL IMPACT



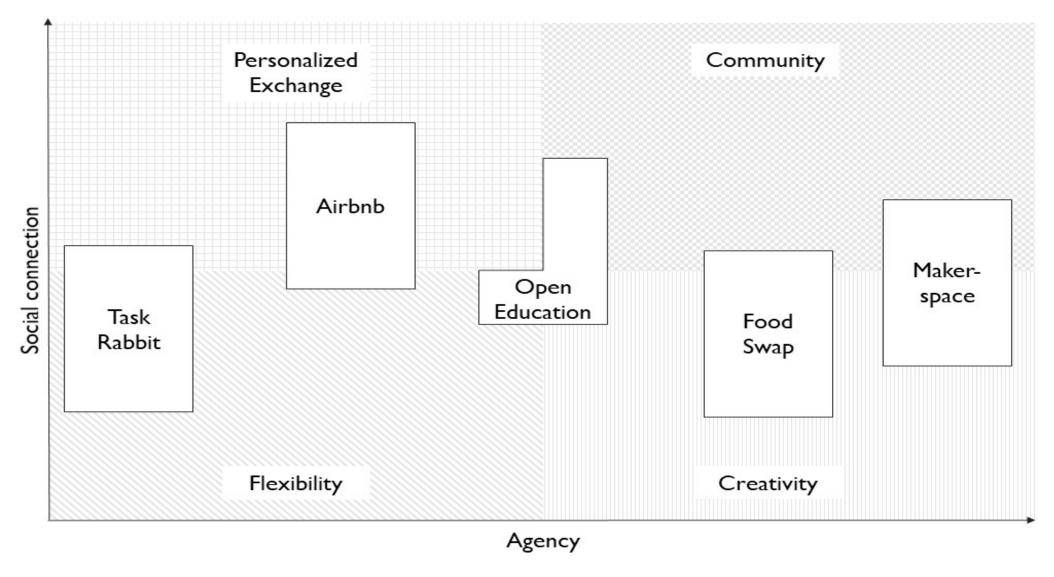
76%
of Americans think sharing
SAVES MONEY



72% of Americans think sharing BUILDS RELATIONSHIPS



participants also feel that their participation is deepening cooperation



Domesticating the market: moral exchange and the sharing economy *Socio-Economic Review*

a cautionary example: durable goods borrowing and renting platforms

I do not need a drill.

I need a hole in the wall













the failure of the renting/borrowing platforms





CNAD survey: Would like to share more things, like tools and household items? Only 32% agree. About same disagree.

A good idea versus an economically compelling model





Is Europe different?

European sharing initiatives have more solidaristic aspects, and may be achieving more common good outcomes

Municipal governments are promoting commons and sharing initiatives (eg of Ghent)



Is it just Airbnb and Uber?

Other platforms not scaling. Many have closed.

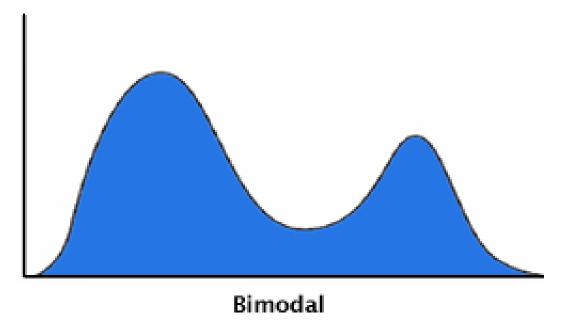
Airbnb being regulated. Will it be confined to one-property hosts?

Uber lost nearly \$5B last year. Does it have a viable business model?

How prevalent will these practices eventually become?

A bi-modal future?

A few large platforms scale and dominate, converge to "business-as-usual"



A smaller true sharing sector grows, especially where local governments support alternatives and where capital is scarce

Public policy should regulate the big actors and foster the small

Research topics

"Gig" labor experiences Status dynamics in non-profits Moral aspirations of participants Culture of Airbnb hosting Racial discrimination and gentrification on Airbnb Impacts of platform labor on income inequality Status identity dilemmas among Task Rabbits New types of vulnerability among Uber and Lyft drivers Systems of labor control on delivery apps Dynamics of platform cooperatives