SHARING ISN'T ALWAYS CARING

BECK DIEFENBACH / REUTERS / LANDOV

The sharing economy has to choose between people and profits

May 18, 2014 5:00AM ET

by **Nathan Schneider (/profiles/s/nathan-schneider.html)** - @nathanairplane (http://www.twitter.com/nathanairplane)

In the beginning, there was sharing. That, at least, is the story according to Dominik Wind, a German environmental activist (http://openstate.cc/) with a genial smile and a cycling cap whom I met in Paris while attending a conference earlier this month about the sharing economy. Years ago, out of curiosity, Wind visited Samoa for half a year; he found that people shared tools, provisions and even sexual partners with their neighbors. Less encumbered by industrial civilization, they appeared to share with an ease and forthrightness long forgotten in the world Wind knew back home.

Wind and I got to know each other while splitting a stranger's apartment that we found through Airbnb. Thanks to platforms like this, sharing is on the rise in urban centers. Capitalism's creative destruction may have ravaged our communities over the centuries with salvos of individualism, competition and mistrust, but now it wants to sell a sense of community back to us.

Online platforms are making it possible again for people to share resources such as cars, homes and time. As well as bringing people together, they're a way to save money in a tepid economy.

Meanwhile, sharing has become a big business: Airbnb is now (http://blog.sfgate.com/techchron/2014/03/20/airbnb-could-be-worth-10-billion/)more valuable than Hyatt (http://blog.sfgate.com/techchron/2014/03/20/airbnb-could-be-worth-

COMMENTS

10-billion/), and Zipcar, which leases cars by the hour, has been bought by the massive international car-rental company Avis Budget. The sharing economy is also changing the way we work. Crowdsourcing platforms such as Mechanical Turk "employ" hundreds of thousands of people to share their labor in the form of piecework — data entry, picking up packages, running errands — without expectation of protections or benefits.

> **"Sharing could lead the way to a more sustainable society, one in which we consume less and collaborate more. But it could also be a means for Big Business to creep even more fully into our lives."**

As these companies grow, so does their impact. Airbnb has been in legal battles with unions and hotel chains in New York (http://www.nytimes.com/2014/04/23/technology/albany-judge-hears-case-against-airbnb.html) over how to regulate its short-term apartment rentals. Street battles against Uber in Seattle have drawn attention to how car-sharing affects established taxi services and drivers. These are skirmishes in a broader struggle underway over the future of the sharing economy.

Sharing could lead the way to a more just and sustainable society, one in which we consume less and collaborate more. But it could also be a means for Big Business to creep even more fully into our lives, exploiting our relationships with one another and turning every attempt at generosity into an act of consumption.

Let's talk about love

The conference that Wind and I attended in Paris was called OuiShare Fest, a genuinely festive event for the sharing movement held in a red circus tent, on an adjoining strip of AstroTurf and aboard a boat floating in the nearby canal de St.-Martin. This year's theme, the Age of Communities, was broad enough to welcome all sides of the movement: venture capitalists (http://sched.co/QxkyPW) alongside black markets (http://sched.co/1gxwPxC), slow foodies (http://www.latribune.fr/entreprises-finance/industrie/agroalimentaire-biens-de-consommation-luxe/20140509trib000829072/l-agriculture-un-terreau-fertile-pour-l-economie-collaborative.html) alongside Bitcoin promoters (http://www.lep.co.uk/news/business/university-s-world-first-in-bitcoin-fees-1-6608393). The first morning of the three-day event began with an invitation for everyone to stand up and hug three people around them.

The language of sharing spread across domains freely; a conversation about startups could quickly pivot to one about marriage or the universe. The same words came out over and over: "trust," "community," "network," "passion," "collaboration" and a good deal of "love." (As a Brazilian entrepreneur put it, "Why don't we talk about love in big companies?") The event's sponsors included Le Poste, France's postal service; the retailer Castorama; Airbnb; a pair of French car-sharing companies; and inevitably, Google.

Less visible but very much present was a set of young activists with more idealism than funding, drawn to such topics as sustainable agriculture, protest movements and alternative currencies. For them, a desire to change the world for the better was almost obligatory; if you can make a bit of money in the process, all the better.

It wasn't so clear, however, how far the industry they were building would bend toward social justice. Cooperative business models, which share profits among their participants, were alluded to only occasionally, more as aspiration than reality, during the main-stage talks. There were several nods to the idea of a guaranteed basic income (https://en.wikipedia.org/wiki/Basic_Income_Guarantee). But the word "rights" — much less old-fashioned terms for confronting corporate rapacity like "boycott," "strike" and "solidarity" — seldom came up. When the sharing evangelist and corporate consultant Rachel Botsman showed slides of Arab Spring crowds, those scenes served as an analogy, not a recommended course of action. She described sharers as "insurgents" against old-fashioned hierarchical businesses, engaged in "revolution," "democratizing" and "disruption."

Filling the vacuum

That last word, "disruption," came up at OuiShare a lot. Just as Airbnb disrupted the hotel industry, sharing startups will

COMMENTS

strike many more industries in short order. Amid the general din of cheerfulness, there was a sense that the startup boosters and organic farmers alike expected an imminent and apocalyptic collapse of the economic establishment and that the triumphant future of sharing would naturally arise from its ashes.

What wasn't discussed nearly as freely was the effect that the disruption of major industries might have on some of the most vulnerable members of society, those less well equipped than the entrepreneurial class to adapt. In one of the few tense moments on the main stage, New School professor Trebor Scholz (http://collectivate.net/about/) challenged Botsman's optimism about crowdsourcing, noting that such labor pays an average of only $2 to $3 per hour. "This is a total affront to what the labor movement has struggled for for centuries," he said.

> **"Unless better models are strenuously, creatively pursued, the corporate one will win by default."**

No doubt, an economy built on sharing could reduce inequality. Sharing enables ordinary people to buy less, connect to one another more and keep the economic value they generate in their own communities. But sharing could also make us even more reliant on corporate whims, allowing companies to dictate how, why, when and what we share and extracting fees for themselves in the process. It depends on who winds up controlling the essential resources — from homes to Web servers to gardens — and who benefits from their use. Unless better models are strenuously, creatively pursued, the corporate one will win by default. In fact, it is winning already: The sharing sector of the conventional economy built on venture capital and exploited labor is a multibillion dollar business, while the idea of a real sharing economy based on cooperatives, worker solidarity and democratic governance remains too much of an afterthought. If the sharing movement really wants to disrupt economic injustice, these should be its first priorities.

On the OuiShare stage, Neal Gorenflo, a Bay Area–based founder of the nonprofit Shareable (http://www.shareable.net/), likened the infusion of corporate business models into the sharing movement as "old wine in new skins." Later he told me that companies like Airbnb and the ride-sharing platform Lyft used to be social enterprises but have since "gone from something transformative to something disruptive" — merely replacing one set of profiteers with another. Rather than building genuine trust and relationships through sharing, many such platforms create only an illusion of trust and community conjured on the Internet. Users get by with less, while venture capitalists rake in cash. The recent wave of protests against tech-driven gentrification in San Francisco (http://www.lrb.co.uk/v35/n03/rebecca-solnit/diary) is a sign to Gorenflo of where the corporate model leads. "People are starting to wake up to the fact that technology and innovation are increasing wealth inequality," he said.

In the days before the conference, the Hotel de Ville in central Paris — the city's administrative headquarters — was draped with red banners that proclaimed "Global partage (http://www.canalplus.fr/c-infos-documentaires/c-global-partage/pid7107-l-evenement.html)" — "Global sharing." There were tents out front celebrating such possibilities as "le co-working," "le couchsurfing" and "le crowdfunding." One banner advised, "You too, go the way of sharing!" But the critical question was missing: Qui bénéficie? Who benefits?

Nathan Schneider is the author of "Thank You, Anarchy: Notes From the Occupy Apocalypse (http://www.therowboat.com/books/thank-you-anarchy/)" and "God in Proof: The Story of a Search From the Ancients to the Internet (http://www.therowboat.com/books/god-in-proof/)." He has written about religion and resistance for Harper's, The Nation, The New York Times, The Chronicle of Higher Education and elsewhere and is an editor of two online publications, Killing the Buddha (http://killingthebuddha.com/) and Waging Nonviolence (http://www.wagingnonviolence.org/).

The views expressed in this article are the author's own and do not necessarily reflect Al Jazeera America's editorial policy.