The "Sharing" Economy

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The philosophy behind the Sharing Economy – where access to resources and assets have become more important than ownership itself (Conrad 2014:7) – is far from new. Albeit revolutionary to the current neoliberal market economy in which all conventional monetary exchanges take place, the very concept of access to 'shared' resources can be dated back to medieval times (De Moor 2008:179), if not earlier. Essentially, the Sharing Economy – an economy marketed as an innovative alternative to the omnipresent capitalistic economy – has been predicated by multiple iterations of alternative models, which brings us full circle to the origin of shared access to resources – the commons. Although some have claimed that society is being redesigned to *promote* the commons (Conrad 2014:4), it is more appropriate to say that the concept of the commons is simply getting more bandwidth and notoriety via technology and collaborative communication outlets. The increased awareness is effectively emphasizing a *need for* a redesigning of society in more favor *of* the commons in the effort for citizens to reclaim ownership of public resources and their labor value, to build a 'market' of shared responsibility (Barlow 2014:36).

The following paper will track the historical chronological trajectory of how the Sharing Economy has come to be. Dating as far back to the concept of shared stewardship of natural resources (the Commons), which for obvious reasons has ambiguous origins, to the eventual establishment of shared ownership with the founding of Trusts, Cooperatives and Guilds in the 19th Century. Such shared collectives for artisans (Guilds) later transitions the chronology into the 20th Century to the 1970s DIY Movement beginning in the U.K., followed by the U.S. adoption of it in the early 80s. The DIY Movement plowed the path for the Makers Movement in the 90s, influencing the development of more 'Makers-Spaces" – essentially the contemporary version of a Guild: worker-owned art collectives. This leads to the beginning of the Social Enterprise, a new form of cooperative business model founded in the early 1990s spawning from the Social Economy, which will be defined at length later in the reading. From Social Enterprises, the beginning stages of peer-to-peer platforms were born (youtube, wikipedia), influencing the development of the peer-to-peer platforms most popularly utilized today – AirBnB, Lyft – now known to be "The Sharing Economy". While he following paper will track the linear trajectory delineated above, there is one exception; I have decided to commence this journey with the description of what I consider the first iteration of the Sharing economy – the early peer-to- peer platforms – segwaying this technology back into what I believe the principles such advanced technologies were originally founded on – The Commons.

Early Peer-to-Peer online platforms:
Scholars often point to early peer-to-peer platforms such as eBay, Wikipedia, Craigslist, Paypal, Facebook, Youtube, etc.. (Olsen 2015:8) as the predecessors to that of the online “Sharing Economy” platforms, including AirBnB, Lyft, Uber, TaskRabbit, etc...Such early platforms did foster a sense of trust and liberty to interact between absolute strangers, which indeed set the foundation for the latter developments. However, the internet itself, while directly contributing, did not single handedly create the newer 'collaborative' economy (2015:8). For the Sharing Economy, the internet has provided a major outlet for exchange to take place. These “coordinates for sharing” found via the internet (Conrad 2014:4) are what Gibson-Graham might recognize as the “ethical coordinates of an alternative politics”(Gibson-Graham 2006:86). In other words, the internet as a *Commons*.

The Sharing Economy has been going on for decades via neighborhood clothing swaps, land sharing, co-working spaces etc...(Conrad 2014:7). Such shared outlets have often emerged out of anti-capitalist pursuits, rejecting conventional capitalistic exchanges for one of non-monetary service or asset exchanges (i.e. file sharing, wikipedia), in the desire to circumvent the system (Olsen 2015:10). While social media – Twitter, Facebook – has been seminal to the Sharing Economy, it has also very much exploited the peer-to-peer outlets by profiting off of the vulnerability of it's user's openly sharing information about themselves and the world. Additionally, although sharing our belongings has the potential to be a political act (Conrad 2014:4), such movements have continuously become increasingly co-opted by the conventional profit-driven market, causing such original anarchist political initiatives of circumventing the system to quickly dissolve as these traditionally non-monetary acts (i.e. clothing exchange, car exchange etc..) have been hijacked by peer-to-peer business models backed by venture capitalists investing heavily into 'shared' economy platforms in the effort to siphon off a majority of the profit (Schor 2014).

What seems to be happening to the Sharing Economy is analogous to what has happened over time to the organic food movement. As soon as many of the small scale, mom and pop, organic products were hitting the market, the big players such as Kelloggs and Craft quickly bought them out (St. Peter 2008:1). Consumer's dollars that were initially being invested into small-scale product making, have now been funneled directly back into the wallets of the corporate players, often times without even notifying consumers of the buyout. The Sharing Economy needs to work hard to preserve itself as a true alternative to private ownership.

The Commons:
The Commons, or commoning, a practice dating back to early 500AD (a-institute.org 2010), if not earlier, is the creating and maintaining of non-commodified resources (land, water, forest, etc) for public, communal use. Apart from ecological spaces, The Commons also encompass

economic and management practices – sharing the responsibility of production amongst its internal members for long- term, economic self-reproduction (De Angelis 2013:604). The Sharing Economy has adopted many of the principles of The Commons (Conrad 4), in both ethical and unethical practices. When sustainably, and ethically produced, the Sharing Economy's surplus, like The Commons, is never predetermined but rather adjusts to the needs of a community (Gibson-Graham 2006:89). An example of such activity can be seen in the housing rates for AirBnB, which are often known to decrease in price in less privileged areas (Schor 2014).When there is excess supply of an asset, or skill-set, sharing through equal distribution can create economic benefit for both the sharer and the user. However, if individualistic in spirit, such excess often becomes unethically absorbed by the individual (i.e. the capitalist), expanding the economic inequality gap. Therefore, when decision making is placed in the hands of the collective – when all the resources being utilized are acknowledged to be equally essential for everyone's survival (i.e. commoning) – the decisions made by the community are for the *common good* of the collective ownership, rather than for economic individualism (Gibson-Graham 2006:91).

The practice of common stewarding of assets in the current Sharing Economy can be seen in Jessie Conrad's example of *Car2Go operating system* (2014:3). Conrad expresses how community stewardship is the backbone of a Sharing Economy. She states that “users [of Car2Go] are encouraged to keep the car's gas tank full and...People say it feels good to leave a car in a new location because in doing so, [they] increase access to the shared resources”(2014:3). The ethical practices of 'commoning' depends primarily on relationships that recognize the inherent sociality and interdependence of all decisions made regarding necessity and surplus (Gibson-Graham 2006:90) as well as the utilization of both the natural and man-made commons (i.e. city streets, airwaves etc..) (Conrad 2014:3).

However, albeit collective stewardship of business ownership and sharing resources being essential for commoning, this very concept has been hijacked by capitalistic practices within the Sharing Economy. As previously explained regarding the peer-to-peer sharing platforms, such as AirBnB and Lyft, the surplus “assets” that are being capitalized on are in fact done so through exploiting the assets of the 'producers' – in this case their homes (AirBnB) or cars (Lyft) – for the profit of the capitalists, CEOs,
and/or platform founders (Schor 2014). For clarification, surplus assets are distinct from surplus labor. Surplus assets are the amount of assets a producer rents/shares above and beyond the time necessary to reproduce herself (Gibson-Graham 2006:91). In other words, in the peer-to-peer Sharing Economy the worker is not only providing an asset (i.e. a car) but she is also working hourly under the guise of being self-employed, while still receiving hourly wages from the “sharing platform” (i.e. Lyft). Moreover, she is being paid for her labor and *not* her *assets*. Hence the question continues to arise: is the collaboration economy a true alternative or is it just a

different permutation of capitalism? As the peer-to-peer Sharing Economy stands now, Juliet Schor believes the "siphoning off" of value at the top from the venture capitalists who provide the financial backing perpetuates classism and the exploitation of the producers (Schor 2014). The value that is being accumulated at the top, for the benefit of the minority, is the surplus value that – instead of being equally distributing to meet needs for the *common good* – is privately maintained by the affluent minority. This is mainly due to the privatization – or enclosure – of natural resources and property ownership (privatization of the commons), a direct product of neoliberal economic policy causing increased enclosures of majoritarian stewarded land for the benefit of the few. The enclosure issues is poignantly described by Vandana Shiva:

The "enclosure" of biodiversity and knowledge is the final step in a series of enclosures that began with the rise of colonialism. Land and forests were the first resources to be "enclosed" and converted from commons to commodities. Later on, water resources were "enclosed" through dams, groundwater mining, and privatization schemes. Now it is the turn of biodiversity and knowledge to be "enclosed" through intellectual property rights. (Shiva 1997)

Historically, such enclosures were resisted and rejected by those that represented and took part in The Commons – peasants and diggers (Swineheart 2013:1). Resistance materialized in the form of riots (peasant riots), as well as in direct action by destroying privatized material (2013:1). As a result of privatization and enclosure, the worker was born – desperately readily available to give away her labor or assets (or both as in the case of the Sharing Economy) in order to survive within capitalism's market economy (Gibson-Graham 2006:96). Therefore, if the Sharing Economy were to truly work toward 'commoning', fixing the wage would have to be much more socially and politically situated, given that one's rate inherently effects everyone else's price.

If one platform in the peer-to-peer economy *competes* with another over the same location/users (i.e. Uber vs Lyft), without acknowledging the interdependence between one another and respecting each other's resources for livelihood, it will most likely lead to a self-destructive demise. This self- destructive demise is most popularly akin to, what Garrett Hardin so famously coined in the 60's, the 'tragedy of the commons' (1968:1245) The 'tragedy' being the overexploitation of the open access resources. In more contemporary times the 'tragedy of the commons' seems to be a result of all the easily accessible technology resources being "openly grazed", not out of pure selfish accumulation, but rather as a result of limited-to-no regulation, or policy for preservation and long-term sustainability of the Sharing Economy. This gray area exists due to such "technological commoning" being unprecedented. The Commons cultivates a relationship for immediate investment into social and physical well-being (Gibson-Graham 2006:96), however, the Sharing Economy – if it continues to be consolidated within the middle-class tier, and profits only the wealthy – masks the interdependence between the users, producers, and non-producers, furthering competition and dissatisfaction, perpetuating once again the vicious cycle of the 'tragedy of the commons'.

Trusts and Guild:
The principles of The Commons, or commoning, laid the groundwork for alternative forms of land stewardship (Trusts) and communally operated work and art collectives (Guilds), each having a role to play in the latter development of socially responsible economics. Similar to Cooperatives, Trusts require that the "financial well-being of the beneficiaries of stock in the Trust are tied to the success of the company" (Conte 1978:23). Albeit seemingly antiquated to make such a connection, said relationship does seem to predicate the relations established in worker-owned businesses, known today as worker-cooperatives. In fact, Trusts place all the responsibility in the hands of the people. While Trusts are designed to manage property for beneficiaries, they must never act in their own self-interest, only on behalf of beneficiaries (Barns 2014:45).

Similar to Trusts, Guilds were alliances that established over time to emulate the protection formally found among kinship relations within larger villages and urban areas – developing in Western Europe between 900 and 1300 – when the extended kinship ties tended to dwindle (De Moor 2008:179-180). More specifically, Guild's members were defined by their occupation, in the effort to provide economic stability to the individual, while at the same time always considering the overall wellbeing of the group's members as a whole. These alliances, or collectives, were member managed, organized by the villagers who had a mutual agreement with lords regarding the maintenance of their own resources (2008:187). Such member-managed organization would take care of internal disputes, severing any dependence to a larger body of governance, such as the State or the lords. Again, this relationship, or lack of relationship to hierarchy, is what had been adopted in workers-cooperatives.

The organization that took place in a Guild has been identified as one of *corporate collective action*(De Moor 2008:190). Unlike collective action, such as riots and raids, *corporate* collective action involves the institutionalization of a group – such as a Guild overseeing the formation of the organization via rules that are collectively decided on and jointly revised, relying on group standards and norms over legal oversight (2008:193). Additionally, Guilds functioned in a way similar to The Commons in their monitoring of surplus. To prevent competition or rivalry from non-Guild members, Guild members would protect the local market my defining a quota for output (2008:197), safeguarding against the free-market. Such preventative measures paints the ongoing efforts to limit "the overexploitation of The Commons "(2008:198).

Different from a Guild, the Sharing Economy – although has made strides to extend technological resources as alternative ways to generate income to a particular demographic –

seems to lack the “membership” of cooperative participation, as well as communal oversight, as seen in a Guild alliance or a Commons. Many of the 'sharing' platforms that provide peer-to-peer outlets do not function via collective decision making or horizontal communication style for the benefit and well-being of all of it's users. While some outlets, such as Wikipedia, are nonprofits that offer free access to free content created by-peers-for-peers, companies such as TaskRabbit create peer-to-peer connections to make a small profit for the 'producers' and *much more* wealth for the 'for-profit' company. Given that many of peer-to-peer companies are run as for-profit business models and lack endeavors to cultivate a cooperative model – i.e. worker owned – there is little investment to maintain the collective economic well-being of it's workers. This is primarily due to the top down business model approach – where the minority profit from the work of the majority. Guilds and Commons established out of a weak state (De Moor 2008:210) and a drive to strengthen sovereignty among social classes and resources, “offering security of income and social welfare in a changeable world” (2008:209). The Sharing Economy has evolved out of a demand for an alternative economy to capitalism to generate income and strengthen community interdependence. But the question is, is this original incentive being sustained?

DIY and the Makers Movement:

Out of a moment of economic difficulty stemming from a dismal political climate in the U.K. – spurring distrust for the traditional system of governance among the young adult demographic – the Do-It-Yourself (DIY) culture was born (Holtzman 2007:44). Disdain for the political choices that were being made in the U.K. at this time period caused dissent from the oppressive dominate political discourse that conditioned its citizens to believe there were no other political alternatives. The DIY movement developed in opposition to this belief, representing the 'alternative' choice to be the responsibility of the people to take initiative into their own hands and “do-it themselves”. Given that those in power were not changing the political climate, the DIY initiatives were an attempt to circumvent the conventional capitalist powers that the population depended on for the betterment of social well-being. Through placing an emphasis on societal interdependence and participation, activists and small scale grassroots producers (Maxwell 2012:5) were intentionally subverting the capitalistic model of “alienation and non-participation”(Holtzman 2008:44). Differing from capitalist practices of “exchange-value” – the value imposed on a person or object for its monetary 'use value' within capitalism – DIY culture sees non-monetary, or self -determined, 'use value' as being primary. In other words, the self-determining practices of creating and sharing – activities that are often hijacked by capitalism for monetary means – retain their use-value, value based on social relations, over their exchange value, value built on monetary worth (2008:45).`

The initial stage of DIY emerged from the British punk anarchy scene in the 70s' – a counter hegemonic culture that inspired innovations around initiatives for self-producing. The scene migrated into the US in the early 80's, particularly prevalent in the anarchist lyrics that spoke out against the government. From the late 1980s-1990s more DIY scenes outside of music emerged, involving the dissemination of unfiltered information via zines and other independent media outlets (i.e. Radio). It was during a similar time period that an organization called “Food Not Bombs” established out of a mission to feed those in need with food that was being disposed, or would be disposed of, by small and large-scale companies (Holtzman 2008:52). The act of reclaiming food to redistribute at no-cost was a direct act of subversion to transcend capitalism.

DIY has also moved into other fields, including traditional manufacturing. As more traditional, low technology jobs move out of the US, the DIY producers have stressed the importance of innovation of high technology production, over the demand of bringing (low technology) jobs back home (Maxwell 3). The DIY movement fostered an era of abundance, innovation, and empowerment, especially for the marginalized sector (Holtzman 2008:44). These were the movements that contributed to an alternative economy of mutual aid, built on “autonomy, choice, critical thinking, cooperation, learning, and deconstructing hierarchy” (2008:51).

One of the most significant accomplishes of the DIY movement was the redefinition of what it means to be a producer (Maxwell 2012:7), providing the liberty for all creatives (and non-creatives) to take a chance through the reliance on their own skills and other's sociality – giving non-makers permission to be makers.Throughout the years more DIY outlets for workshops and classes have opened up to inform and educate about this grassroots, anti-capitalist economy. DIY further paved the way for the Makers Movement, which truly came into actualization in the 1990s. The makers movement producers were unified through a shared desire to explore and create (Peppler 2013:2),

supporting themselves while supporting others. This movement expanded the support systems and networks around the DIY movement with the development of the Makers Faire – initially starting in the US, but now has factions all around the world. The Maker's Movement, transcending small, localized scenes, has begun to be viewed as exactly what it incentivizes: an alternative economy that is run for-people-by-people. President Obama was quoted on how he believed the Makers Movement had potential to rebuild an abundant economy “by proliferating more producers over consumers” (Peppler 2013:2). Such alternative production economies inspired the realization that innovation no longer had to be reserved for those who are “special” or “official” in some way, but seen as actually accessible to the
realm “of you and me” (Maxwell 2012:8). The DIY and Makers Movement cultivated a passion for entrepreneurship. However, albeit entrepreneurship being economically individualistic in spirit, the DIY collaboration tools demand for such endeavors to be more in alignment with the collective action of liberating our economic dynamics from capitalism's wage-labor relationships. The decentralization and democratization of technological knowledge to fabricate

personal necessities (Peppler 2013:3) provides an equal chance to enter into the production economy – i.e. the alternative economy – as an innovator for the self and for the *common good* of a community.

Social Enterprise:

The concept of the Social Enterprise began presenting itself in the early 1990s throughout the Western World, spawning from discussions highlighting cooperativism regarding the Social Economy and business schools that were touting initiatives for social change (Nyssens 2006:3). The "Social Economy", what has become to be considered as the "third sector" between the more traditional private and public sectors, situates organizations with a social causes (i.e. nonprofits, charities, social enterprises) within a broader political economic discourse that aims for more inclusive economic relations by generating more jobs and socially useful goods for those that are often excluded in State and private sectors (Amin 2002:vii). Situated within the context of a Social Economy, a Social Enterprise is a business whose main criteria is to benefit the community by reinvesting surplus for the purpose of the community, as most of the initiatives are executed by a collective of citizens. It differs from other forms of more traditional organization models in the sense that it's primary motivation is not controlled by generating more profit. There is a small amount of paid work and a decent amount of economic risk that comes with the autonomy of a Social Enterprise (Nyssens 2006:7). Social Enterprises are primarily driven via social objectives and achieving sustainability through trade (Defourny 2007:5). Such initiatives are "viewed as an innovative response to the funding problems of non-profit organizations" as they are finding it more and more difficult to acquire donations and grants (Nyssens 2006:4). In this sense, instead of competing for economic capital or political power, Social Enterprises seeks to accumulate social capital (Brown 2015:27) requiring the development of trust, reciprocity, solidarity, and sharing commitment .

For Social Enterprises to function for the *common good* of all businesses under this model, they need to agree to no competition to prevent one from having more gain over another, which inevitably would affect the whole sector from being economically egalitarian (Brown 2015:27). Therefore, in order for the entire sector to benefit for the wellbeing of the community, all internal and external competition must be eliminated from the business. It is for this reason that Social Enterprises recycle all surplus profits back into the community of the company. Such reinvestment encourages expansion for the *common good* over the expansion of an individual's bank account.

Conclusion:

If the Sharing Economy is to truly be for the *common good* and operate under the influence from its predecessors – the Commons, Trusts, Guilds, Cooperatives, DIY culture, Makers Movement, Social Enterprises, and earlier peer-to-peer platforms – it must "not only produce items of necessity, but generate and equally distribute surplus as well" (Gibson-Graham 2006:92). We must challenge whether or not the Guilds, has improved the concept the Commons and other alternative economic developments preceding it (Swineheart 2013:6), or it if caused a different degree of a "tragedy of the Commons".

Is the Sharing Economy truly a viable alternative to sustainably bring wealth back into the hands of the majorly? Is it able to benefit a variety of demographics and how might it further expand it's reach to marginalized communities? How are the Sharing Economy initiatives being hijacked by capitalists to extract more money and create, yet again, more subordinate wage-labor positions intrinsic to
Neoliberalism?

The growth of industrial capitalism has been predicated on the private enclosure of the natural world. These enclosures have always been met with resistance. Learning this alternative economic narrative encourages critical conversation about the extent to which "economic growth" has been used to justify the private seizure of the resources for the profits of the few—while closing off those same resources and decisions about how they should be used to the rest of us (Utne 2013). For the Sharing Economy to live up to its name, there needs to an increase focus on stewardship, cooperativism, and surplus reinvestment in effort for it build a humane, alternative, social and economic future.

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