The Sharing Economy: Rhetoric and Reality

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VC financing from 1998-2002. Technology stocks rose 300% between 1997 and 2000, and increased $5 trillion in value (Srnicek 2017: 21). Although the dot.com bust cooled

-born sharing platforms have enjoyed particular ease accessing investment funds to fuel expansion.

Finally, the Great Recession catalyzed the sector. High rates of joblessness among youth led them to sites that offered stopgap income or helped pay student debt (Schor 2020). Struggling members of the middle class used the platforms to help pay mortgages or rent, supplement stagnant incomes, or cushion the blow of unemployment (Sperling 2015). The financial collapse also left many youth skeptical of the ability of global capitalism to meet their needs, and boosted the popularity of socialism (Pew Research Center 2011). Sharing platforms positioned themselves as an alternative to large, uncaring corporations and attracted users who rejected market logics and imagined sharing sites were personalized and humane (Fitzmaurice et al. 2020).

2.2 Intellectual Roots

Three intellectual developments laid the groundwork for new understandings of sharing: a rethinking of ecological commons centered on cooperation, the expansion of commons thinking to the digital space, and new work on diverse economies. Together, they challenged postwar views of human behavior which marginalized sharing. These literatures undergirded the cultural logics of the sharing economy, at least initially.

The first development challenged the postwar consensus in economics and biology, which was *Tragedy of the Commons* had argued that self-interested users of common resources would inevitably over-use and degrade them. In economics, the concepts of free riding and the prisoner dilemma why people cannot cooperate. These approaches aligned with Cold War ideologies of the superiority of capitalism to communism, the centrality of individuality, and the irrelevance of other-regarding behavior. Markets and private interest were seen as inescapable. However, as scholars interrogated the specific assumptions of these approaches, they identified the conditions under which sharing became efficient and durable.

In economics, behavioral studies dealt serious blows to the rational actor model. In biology, Social Darwinism was undermined by findings establishing the centrality of cooperative behavior across many species (Bowles and Gintis 2011). Elinor Ostrom   (1990) *Governing the Commons* showed that humans can share resources such as water and forests and achieve ecological and social sustainability over hundreds of years. Her work led to movements for sharing public spaces, housing, and durable objects (Peer to Peer Foundation 2005).

A second, analogous development addressed the digital commons. From its earliest days cyber-culture embodied opposition to privatization and the promotion of sharing, and these ideals found concrete expression in the movement for free/libre and open-source software, which create(m)7(e)7T/F2 12 Tf1

software developers and argued they were engaged in an efficient mode of production which should be recognized alongside market and state provision. These formulations would surface a few years later in sharing economy discourses (Bradley and Pargman 2017; Carfagna 2017; Schor 2020), informing its original terminology of

Frenken et al. (2020) argue that the institutional logics of market, state, corporations, and the professions are misaligned, generating ongoing tension within the field. Some have focused on how the sector is leading to a re-imagination of markets
field incoherence is itself a common framing (2015 p. 155), a conclusion similar to that of Acquier et al (2020). Studies of specific platforms also emphasize the polysemic nature of the discourse and the forms of ambivalence it exhibits (de Peuter, Cohen, and Saraco 2017: 689).

A further issue concerns the heuristic value of the   term. It came into use in 2012 (Schor and Attwood-Charles 2017), and entered the Oxford English Dictionary in 2015. Economics, management, and engineering researchers have mostly adopted it, in contrast to those in sociology, geography, and anthropology, who are more critical. A prominent exception is consumer researcher Russell Belk, who argues that sharing cannot include the exchange of money (Belk 2014).   has been criticized, however, as unwittingly reproducing   tructure; gift/market; altruism/self-interest
(Arnould and Rose 2016). Some have dismissed

2.4 Participation and Motives

The lack of high-quality data leaves us with an impressionistic view of who participates and why. Early U.S. surveys found that consumers were disproportionately young, white, highly-educated, and higher-income (PEW Research Center 2016). As the sector expanded the consumer base widened and average income igh

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casual, although not strong sociability. However, unsurprisingly, there are sociological cleavages at play here. Ladegaard (2018) finds that while hosts are eager to meet people from other cultures, i.e. of a similar social class.

Co-working spaces were expected to create meaningful collaborative ties among users, however (2019) ethnography of East Coast U.S. sites found that while some socializing did occur, surprisingly few relationships emerged, as users reported being too busy or competitive to interact. Moreover, the masculinist culture of WeWork in particular was off-putting to women, inhibiting interaction by gender. Social capital formation took the form of bonding rather than bridging, and -18). s (2017) study of British co-working spaces finds only loose socialization, as well as efforts to network for business purposes.

Studies of transportation services find that social trust and interactional practices differ (2012) early paper on Zipcar found that users adopted an individualized self-interested attitude and were averse to identifying with the brand community the company was attempting to construct. Studies of vehicle rental ing found customers prefer not to meet the owners (Fraanje and Spaargaren 2019; Shaheen 2018). However, Seteffi and Lazzer (2018), study of BlaBlaCar, a long distance European ride-sharing app, found that over time users develop shared knowledge of the practice and become more

In these two-sided markets all three parties (consumer, platform, and earner) need to trust the other two. Therefore, trust depends on socio-technical design (Fraanje and Spaargaren 2019), via practices such as the protection of information on users, security and background checks, and insurance coverage. But provisions to establish trust can also structure inequalities among exchanging -hailing, lodging, home tasks and food preparation platforms found that while some platforms make rigorous efforts to ensure that service providers are trustworthy, they do not similarly rate customers reflecting their greater power in the triad. Likewise, platforms withhold relevant information from workers, such as details about destination for ride-hail drivers (Rosenblat and Stark 2016). Clearly, affordances can foster differential levels of trust in complex ways.

Research on hybrid and non-profit platforms also shows mixed evidence on social capital. Time banks generalized exchange systems (Yamagishi and Cook 1993) that barter labor services are an illustrative case. Two case studies of TimeRepublik, a for-profit global digital time bank, found th and evidence of a poorly functioning (Arcidiacono and Podda 2017). Shallow interactions may be by design to discourage users from going off platform. del Moral and Pais (2015) also found a male skew and gender homophily on this site.

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disproportionately white and highly educated (Schor 2020, Appendix B). This research also found distinguishing practices and social exclusion which reduce transactions and undermine social ties. A time bank was plagued by low volume and unwillingness to trade on equal terms   the very organizing principle of banks. An ethnography of a makerspace found that the organizational culture valorized impractical and esoteric making, with little support for functional activity. A food swap failed on account of snobbish and racially exclusionary behavior by founders. These findings are consistent with other research on non-digital time banks, which finds ideological enthusiasm but a lack of practical value (Bellotti et al. 2015; Suhonen et al. 2010). These studies find that the social composition of users can generate class or ethno-racial homophily and divisions based on generation or lifestyle, limiting trust in ways that are consistent with prior research on communes and cooperatives which found that egalitarian outcomes were more easily achieved in the context of homogeneity among members (Rothschild-Whitt 1979; Meyers and Vallas 2016). However, where new sharing practices

entities. In

While these studies have identified racism and discrimination on sharing platforms, few have made systematic comparisons to conventional businesses. There is some evidence that discrimination in car purchasing is reduced when transactions are conducted on-line rather than in person (Ayres and Siegelman 1995). Uber has capitalized on the longstanding racist refusal of taxi drivers to serve Black riders, arguing its service is less discriminatory
on Los Angeles (2018). But in lodging, because private hosts who list on Airbnb are not subject to the Fair Housing or Americans with Disabilities Acts, platforms are likely regressive with respect to person-to-person discrimination. The expectation that sharing platforms will be less discriminatory because they have low barriers to entry is at least partially supported by the higher propensity to list properties found in non-white neighborhoods (Cansoy and Schor 2019), but those listings receive fewer bookings and lower prices. Research also finds that the use of ratings and reputation can reduce discriminatory behavior (Cui, Li, and Zhang 2016; Laouenan and Rathelot 2016) but other studies find evidence of ratings biases (Cansoy 2019).

Taken together, the evidence on inequality and the sharing economy provides a mixed picture. Lodging platforms appear to be increasing racist and ableist outcomes via personal and price discrimination while ride-hail is expanding availability for non-whites. There are also class dynamics at play which belie the happy story of opportunity and inclusion. Inequality among earners is systemic, as platforms accommodate a range of situations from the relatively privileged to the desperate. It seems likely that the presence of relatively well-off casual earners who compete

Though Zipcar.com began its operations by promoting its environmental benefits, it quietly retired that claim in the face of internal contrary evidence (Schor 2020).

For accommodation platforms, first round benefits less hotel construction and lower impact per room (Cleantech Group 2104) are likely outweighed by the carbon footprint of induced travel, i.e., more trips due to lower prices. A survey of Finnish and U.S. users, found that 41% reported P2P accommodation increased their travel frequency (Tussyadiah and Pesonen 2016). An analysis of U.S. data found that 42-63% of urban Airbnb bookings would not have been made at hotels in the absence of the platform (Farronato and Fradkin 2018), pp 29-30). The additional airline trips associated with this extra travel likely dwarf other impacts.

Reducing carbon and eco-

4.1 Deeper into neo-liberalism?

A recurrent theme in discussions of the sharing economy is that it has accelerated the incursion of market relations into previously non-monetized domains of social life (Ravenelle 2017, 2019;

members and continues to expand. An alternative to Airbnb called Fairbnb plans to donate revenue to the communities it operates in, but the pandemic has hampered its expansion (Foramitti, Varvarousis, and Kallis 2020). Smaller coops offering local services include a ride-hail coop in Colorado and UpandGlo, a NYC cleaning coop for immigrant women. Platform cooperatives have unique challenges, such as the fact that work

ensuring the safety and security of all in a spirit of reciprocity and generosity. For surely in the other way lies Barbarism.

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