From community-minded to profit-oriented? Critical Geographies of the Sharing Economy

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Extended abstract: The sharing economy is emerging as a powerful force for restructuring post-recession economies, for mitigating climate change through the sustainable (re-)use of resources, and for experimenting with non-capitalistic practices in which ownership and markets are replaced by access, collaborative consumption and commoning (Benkler 2004, Belk 2007, Botsman and Rogers 2010).

The sharing economy is also becoming a new venue for venture capital investments and has been accused of disrupting mature industries by devolving legal, fiscal and social responsibilities to low-paid and unregulated “micro-entrepreneurs” who are induced to monetize personal time, assets or sociality and to compete against each other through self-branding (Asher-Schapiro 2014, Leonard 2014, Roose 2014, Schor 2014).

The aim of the paper is to address this controversy from a geographical perspective which is still missing. Sharing is indeed embedded in interpersonal relationships and based upon a variety of relational proximities which are needed to create trust, reciprocity and connections among geographically disparate people who want to share. These networks have a peculiar spatiality, they may be more or less inclusive, diverse, autonomous, ‘alternative’ and they require a social infrastructure which is typical of cohesive communities (Davis 2012, Harman 2014).

Several community-based initiatives have consequently emerged in which participants do not necessarily inhabit the same place but feel that they have something in common, e.g. a sense of belonging or identity, a shared community of interests or practices. These initiatives are increasingly networked-based, i.e. mediated by a social network, an organization, a web-site or online platform or a combination of these. Whether community or network-based, sharing is occurring among people who (get to) know each other and do not earn any monetary profit (Bardhi and Eckhardt 2012), while the cost of the ‘service’, if one exists, is the minimum required to maintain the network. As these sharing initiatives grow and diffuse, geographical and social ties may be replaced by a wide range of relational proximities that allow an extension of the reach and scale of sharing networks while maintaining a sense of solidarity and reciprocity among participants.

The problem is that self-organized sharing initiatives often strive to survive and, when they succeed in scaling-up and/or scaling-out, they may radically change. Internet-based intermediaries are often necessary to provide what self-organized networks rarely guarantee: efficient platforms, reputation systems and the critical mass of connections which are needed to reduce transaction costs and risks (Benkler 2006). These ICT platforms are increasingly controlled by big corporations which mobilize an array of benign geographical imaginaries - communitarism, autonomy, intimacy, authenticity, sustainability, etc. - for legitimising a business model that may be regarded as the last frontier of post-fordism, and as the advent of a libertarian and purely informational capitalism in which control over social networks becomes a major source of oligopolistic power (Slee 2014).

Such a ‘corporate take-over’ of the sharing economy has created a bias towards profit-oriented initiatives, raised concerns over what may or may not be accurately defined as ‘sharing’ (Uber? Airbnb?) and garnered attention towards distinguishing between partially overlapping definitions such as collaborative consumption, access-based economy, peer-to-peer networks (Botsman 2013, Edelman and Luca 2014, Schor 2014).

This paper aims to contribute to these debates by providing, firstly, a taxonomy of sharing initiatives. Two crucial distinctive dimensions are proposed: on the one hand, the above mentioned distinction between community-based and network-based initiatives. On the other hand, following Belk (2010), we inquire as whether the act of sharing more closely resembles a gift exchange or a market exchange.

Such a taxonomy is not aimed at raising normative concerns nor at proposing any clear-cut classifications but rather the contrary, insofar as each of the above mentioned concepts – community, network, donation, market exchange – are elusive at best; the aim is to show that what is shared, by whom and 'where' influences the functioning of sharing networks while stressing the fact that each single initiative - even within the same domain - deals differently with issues of trust, motivations, reciprocity, connectivity, belonging, scope, anonymity and value. Most importantly, such a taxonomy can help in understanding how the sharing economy evolves and changes over time. While some initiatives diffuse and grow without losing their original 'spirit', other initiatives risk becoming victims of their own success, somehow being forced to introduce more efficient technological and managerial practices and risk being absorbed or obscured by better functioning platforms. Such evolutionary patterns enable sharing economies to extend and to diffuse while at the same time making them vulnerable.

In order to attempt to understand the reason beyond such divergences, we will focus on two domains – home exchanging and ride-sharing – which display a high variety of initiatives characterised by different organizational and evolutionary patterns. We investigate how these two domains of sharing practices have confronted the issues mentioned above and highlight a number of factors that explain how these adapted and changed.

Key-words: Sharing economy; Collaborative consumption; Community; Relational proximity.

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