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Editorial

Sustainability perspectives on the sharing economy

The rise of the sharing economy is arguably one of the most significant global socio-economic developments over the past decade. Using online platforms, millions of consumers have started to offer their idle goods for free or a fee. Although this practice existed before the advent of online platforms, it was then confined to sharing among family and friends. Online platforms have enabled consumers to share their possessions "peer-to-peer" with strangers, as trust is assured by micro-insurances and online reviews provided on the platforms. Items that people share range from valuable possessions such as homes, parking spaces, cars and boats to less valuable goods such as clothes, books and tools. The sharing economy can be understood as part of a wider movement towards platform-based "collaborative consumption" (Botsman and Rogers, 2010). Most include under this umbrella term not just sharing of goods, but also second-hand marketplaces, the gig economy for temporary labor, swapping platforms, time banks (time as currency), and peer-to-peer lending.

The environmental promise of sharing platforms holds that consumers become much less reliant and dependent on individual, private ownership. Instead, they can have cheap and easy access to goods owned by other consumers that otherwise would stand idle. In doing so, consumers do not only save money but would also contribute to lower material demand and energy use. As such, the sharing economy can been considered, at least potentially, as contributing to a sustainability transition.

While the sharing economy has witnessed rapid growth indicating its widespread popularity and acceptance, it is also increasingly criticized (Schor, 2014). Incumbent companies complain about the lack of a level-playing field between on the one hand professional companies who adhere to prevailing regulations and tax obligations and on the other unprofessional providers using platforms who tend to ignore regulations and taxes. Other commentators warn about the monopolistic tendencies of platforms in winner-take-all-markets due to strong network externalities of online platforms. Furthermore, some argue that the social and environmental gains claimed by sharing enthusiasts may be overrated. Not surprisingly, advocates and critics, as well as policymakers around the world, turn to academics to provide answers to their questions. What are the economic, social and environmental impacts of the sharing economy? How does it affect traditional industries? What regulatory models should apply? Is sharing truly inclusive or are some left out? And, can sharing platforms scale up from their current niches into fully-fledged socio-technical regimes?

Against this background, Utrecht University took the initiative to organize a workshop in June 2015 labeled as the first International Workshop on the Sharing Economy (IWSE).[1] The event brought together some 45 presenters and another 100 attendants from all kinds of disciplines (economics, engineering, geography, innovation studies, philosophy, political science, sociology, transportation, etc.). This workshop was quickly followed by the 2nd IWSE organized by ESCP Europe in Paris (January 2016), the 3rd IWSE organized by the University of Southampton (September 2016) and the 4th IWSE organized by Lund University (June 2017).

This special issue brings together nine papers on the sharing economy with a common focus on sustainability, interpreted in a broad sense.[2] The issue starts with an introduction by *Frenken and Schor* who provide an analytical definition and classification of the sharing economy, and then summarize the research done so far on the economic, environmental and social impacts of the sharing economy. They end with discussing current government regulations and alternative governance modes. The second paper by *De Rivera* and co-authors takes a different route and derives a typology of sharing platform empirically using a "netnographic protocol". They analyze 55 platforms across four dimensions: functionality and usability, trust and virtual reputation, codes of conduct and community footprint. From the analysis, the authors derive a new typology: network, transaction and community oriented platforms.

[1] https://www.uu.nl/en/IWSE2015, co-organized by Koen Frenken and Peter Pelzer.

[2] A second special issue following from the IWSE meetings is forthcoming in *Technological Forecasting and Social Change* and focuses on the organizational aspects of the sharing economy (https://www.journals.elsevier.com/technological-forecasting-and-social-change/call-for-papers/call-for-papers-promises-and-paradoxes-of-the-sharing-econom).

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The issue continues with three papers focusing on the motivations and practices of the users of sharing platforms. *Böcker and Meelen* investigate the economic, environmental and social motivations to engage in sharing, both as providers and as renters of goods, using a survey among 1330 residents in Amsterdam. They also compare the relative importance of each of the motivations for different types of goods such as tools, houses, cars, rides and meals. *Godelnik* carried out an experiential project with New York students, during which students were asked not to buy anything new, other than food and absolute necessities, and instead rely on the sharing economy to meet their needs. His results suggest that shifting consumer practices from ownership to sharing may be much more challenging than often is assumed, even among the young, urban and highly educated part of the population. The paper by *Huber* looks at forms of homesharing in France and in Germany. Using social practice theory, he finds that P2P accommodation sharing has become a highly attractive practice with good chances to 'recruit hosts', while cohousing instead is much more demanding as a practice with rather restricted opportunities to find fellow practitioners.

The environmental impacts often claimed by proponents of the sharing economy are scrutinized in the next two papers on homesharing and carsharing, respectively. *Voytenko* and colleagues compare sustainability narratives held by operators and users of three types of homesharing platforms: rental, reciprocal and free platforms. Drawing on framing theory, they find that current framings of sustainability implications of accommodation sharing vary widely among those who formulate them as well as among the three platform types. *Nijland and Van Meerkerk* quantify the environmental effects of car sharing, including both business-to-consumer and peer-to-peer sharing, in terms of changes in car ownership, car use and CO_2 emissions. They find, on average, a person shifting from car ownership to carsharing leads to 30% less car ownership, 15–20% fewer car kilometers amongst car sharers, and 13–18% lower CO_2 emissions compared with the case of car ownership and car use. Though these gains are welcome and important, the positive effects of car sharing seem somewhat smaller than previously assumed in popular accounts.

The issue ends with two normative perspectives on the sharing economy. While sharing among consumers as such is little contested, the platforms organizing today's sharing practices have come under fire. Many commentators have criticized platforms for their primary focus on profit maximization and their tactics to avoid regulations, instead of concentrating on the equity and sustainability impacts of sharing. Within the context of the city of Vienna, *Gruszka* tackles the debate empirically by a Q study which is a mixed method enabling analyses of subjective perceptions of socially contested topics. Four framings are identified: Visionary Supporters, Market Optimists, Visionary Critics, and Sceptics, each bringing their values, visions, and goals. Given this variety of understandings, the author questions the need for single framing of sharing, and calls for more context-sensitivity and multi-stakeholder dialogues. Finally, *McKee* provides a political-philosophical perspective on the liberal claims made about the most well-known platforms (Airbnb, Uber). The difficult legal issues raised by these platforms are often dismissed by arguing that existing laws are outdated and interfere with a spontaneous market order that would bring the most efficient and desirable outcome. The author shows that platform introduce restrictions and regulations of their own, creating a market place that is arguably not truly spontaneous. Furthermore, he argues that the assumption that the platforms are, on the whole, more freedom-enhancing and more efficient than state regulation cannot be sustained.

This special issue shows that the advent of online sharing platforms raises new analytical, empirical and normative questions. Platforms come in many varieties and operate in multiple sectors, with diverse user motivations and complex effects on the economy, the environment and social relations. More research is needed to understand the workings of sharing platforms, the possible governance alternatives and their economic, environmental and social impacts. A further observation is that the collection of articles displays a variety of methodological approaches ranging from surveys and interviews to experiential methods, netnographic research and mixed methods. Strikingly, econometric approaches using transactional data are absent, probably due to the unwillingness of most platforms to grant researchers access to their databases.

The main conclusion that can be drawn from the special issue is that the early claims of the inherent sustainability of the sharing economy are ill-founded. Not only are many providers and users primarily motivated by the economic gains to be made by trading on sharing platforms, the environmental effects may anyway well be rather limited due to increased demand triggered by lower prices as well as various rebound effects. What is more, the gains of the sharing economy are unevenly distributed and may even increase inequality, since those with the most valuable possessions can realize the largest rents from sharing them. Having said this, the sharing economy – and the regulatory institutions evolving with it – is still very much under construction. Supplementary institutional changes are conceivable that would reinforce the sustainability impacts of sharing and would redistribute the economic gains more evenly. A key question will be what institutions will promote the sustainability-enhancing platforms. In the coming decade, we will witness whether sharing will constitute new regimes in sectors like hospitality, transportation and food and how such new regimes will be shaped by innovation, contestation and regulation all at the same time.

References

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