

The sharing economy – visions, opportunities, beneficiaries

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The sharing economy is a phenomenon indicative of the potential of change inherent in today's capitalist economies. It has created new business opportunities or business models which became a threat to established businesses in some areas such as vacation apartments and the taxi business. Within the sharing economy, digital platforms have been created and established for improving the opportunities of users to coordinate their activities with those of others. Such opportunities encompass, for example, their supply of and demand for vacation apartments or car rentals/carsharing. The suppliers of these digital platforms offer their customers a resource that alleviates the coordination with other resource providers using the same platform. Consequently, these platforms lower the users' transaction costs and risks. As the growth of the sharing economy is indicative of, both the platform providers and their customers are beneficiaries of the sharing economy's new business opportunities. Yet, there are not only beneficiaries in the sharing economy. Since May 2016, in Berlin, it is forbidden to offer vacation apartments via Airbnb and other platforms. Some of the owners of the 23,000 vacation apartments offered via Airbnb in Berlin brought their case to court – and they lost.

There are two aspects of interest in the Airbnb case: first, the freedom of property (this is the freedom of the owners of vacation apartments) can clash with the freedom of the people living in the neighborhood of these vacation apartments. Some of these neighbors became exasperated with lodgers having problems to find their apartments at night-time; who sleep on the stairway, are often drunk when they return to the apartment and have parties there. Second, the collusion of the two freedoms was not the reason for the local government to forbid the practice. The local government's argument was the scarcity of living space offered at an affordable price in Berlin. The local government targets to see these apartments offered on the "regular" rental market. Notwithstanding, the idea of freedom remains relevant for the emergence of sharing economies – but how relevant is it and how many freedoms are to consider? Lusch (2006) refers to Sen (1999) for whom the development of economies' freedom is essential and not to be equated with economic wealth per se. For Sen, there are five freedoms: political, economic, social opportunities, transparency guarantees, and protective security. What kind of freedom does the sharing economy need and for whom? How do laissez-faire or regulation relate to wealth? And

how does freedom relate to responsibility? What is responsibility in the context of the sharing economy? The institutional economist John Maurice Clark (1884-1963) addressed “the meaning of responsibility” in his lecture series “Alternative to serfdom”: “For our purpose, the term has a two-fold meaning. It implies a range of inner discretion for the individual, which he exercises with a view to the rights of others; and it also implies some accountability to others for the use that is made of this discretion.” Do platform providers, suppliers of and demanders for, for example, vacation apartments act responsibly? Is it an irresponsible act, violating the idea of the common good, to book a vacation apartment via Airbnb in Berlin or other cities of the world? Is it an act of moral economic action to book a hotel room instead of a vacation apartment?

The hotel business competes with the platform provider, in our example, with Airbnb. While competition seems to be a taken-for-granted welfare-creating mechanism see, for example, Aghion and Schankermann 2004; Van de Klundert and Smulders 1997), in some cases the public authorities seem to be at odds with it. According to Clark (1950, p. 70), “(c)ompetition is rivalry for economic goods or gains: rivalry that centers in offering the other party a bargain good enough to induce him to deal with you in the face of his free option of dealing with others who are freely offering him the same kind of return.” Clark considers competition the most important organizing principle of the market system. This principle implies that there are winners and losers. In Germany, the loser in the competition with Uber, the taxi business, has managed to impact the government in a way that pushed Uber out of the market (the same happened in Spain) while Uber is running very smoothly in London. As Layton (2016) argues, competition is a path-dependent phenomenon; that is, roughly speaking, that actual decisions are related to past decisions by a self-reinforcing process. Institutional change may be difficult and slow as learning, particularly in case of cognitive path dependency, cannot unfold its effects in its entirety. This mechanism may have added to the diversity of regulations in Europe.

In both cases of public policy, the framing of the governmental activities was important: in case of the vacation apartments, it was *no misuse of living space* while in case of Uber it was *no quasi self-employment and protection of a natural monopoly for the public benefit*.

A third example of recent governmental intervention in Germany is the foodsharing initiative in Berlin. Foodsharing initiatives want to reduce food waste and connect supply and demand in case of food that supermarkets, households, and others would have thrown away. They distributed fridges at different places in the city into which everyone can put food and from which everyone can take food. 3,000 volunteers in Berlin transfer food, clean the fridges, and so on. In Berlin, the

veterinary and food control agency (Veterinär- und Lebensmittel-Aufsicht) argues that the foodsharing initiative has to fulfil the same hygienic standard as firms in the food producing industry: Each fridge has to be controlled by one person who is the only one allowed to put food into the fridge and, all food donations have to be registered in a list and accordingly marked. In case of non-compliance, the local authority threatens the initiative a 50,000 Euros fine and the closing down of the fridges or even the initiative. Do the foodsharing activists act irresponsibly? Are the fridges a threat to the health of those who pick up food from the fridges? Is the veterinary and food control agency protecting the health of Berlin's citizens?

The emerging sharing economy is a reason to address (the beliefs in) freedom, responsibility, and competition both in sharing economies and in the marketing discipline. For this special session/track we invite papers from scholars that address problems related to freedom, responsibility, and competition within the sharing economy. In addition, we are interested in answers to the question if the sharing economy gives rise to problems for other kinds of economies. The sharing economy, at least in the eyes of some observers, has given rise to promises or expectations that there are alternatives to the way the other economic systems function: an increase of action opportunities and in the flexibility of resource uses on the one hand, and a democratization of the economy and paying attention to sustainability on the other hand (Bala 2015). Does the way, how actors make use of their freedom and responsibility and understand and practice competition, influence the degree to that these promises or expectations have been or can be realized? In addition, are there differences between groups or types of actors within the sharing economy? Is there more than one sharing economy? What do we know about the meaning and values the participants in the sharing economy relate to their actions? Are there differences in the way actors engage in the sharing economy, in their business models, and in their objectives?

Papers and extended abstracts (about 1,500 words) submitted to this track are invited that address these and related questions. Please submit your proposal until 12 January 2017 to michaela.haase@fu-berlin.de, michaela.haase@hs-merseburg.de or doreen.pick@hs-merseburg.de.

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