

The Sharing Economy: Reports from Stage One*

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Abstract: The sharing economy has generated heated controversy as proponents claim it is bringing efficiency, opportunity and sociability and critics argue it is degrading labor, exacerbating inequality and commodifying daily life. Here we discuss findings from in-depth interviews with providers on three for-profit platforms (Airbnb, Relay Rides and TaskRabbit) and find a mixed picture. Providers are generally pleased with their earning possibilities although there is some evidence that conditions are eroding for providers of general labor services. With respect to sociability and commodification we also find a mixed picture.

Introduction

The diverse set of platforms and organizations that have come to be known as the sharing economy are now objects of heated controversy around the world. The best-known target is Uber, a taxi alternative that in 2015 was valued at \$50 billion, which ranked it higher than 80% of all companies on the Standard and Poors index (Myers, 2015). Supporters of Uber cite benefits for consumers such as availability, convenience, low cost, and seamless transactions. For drivers they point to enhanced economic opportunity and higher earnings. Proponents also applaud its ability to “disrupt” the taxi industry, considered to be sclerotic and over-regulated. Opponents argue that Uber overstates drivers’ incomes, unfairly evades regulations, skimps on security, has invaded users’ privacy and is attempting to become a monopoly.

Uber is the bad boy of the sharing economy, but the dystopian fears it has raised are directed at the sharing sector more generally, with Airbnb, TaskRabbit, Postmates and other large platforms coming in for considerable criticism. A central theme of the critics is that venture capitalists have transformed a progressive, socially transformative practice—sharing—into amoral and socially destructive profit-seeking. As the sector has grown, denunciations have multiplied from an opposition ranging from mainstream liberal to the radical left.

In the United States, there has been a vigorous debate about the sharing economy, which has even made an early appearance in the 2016 presidential election (Barbaro & Parker, 2015). One line of argument centers on the idea that what’s happening is not sharing.

Numerous commentators argue that sharing by definition excludes monetary exchange. Anthony Kalamar (Kalamar, 2013) has gone farther, arguing that renting crowds out genuine sharing and that the for-profit companies are “sharewashing,” i.e., using the positive associations of sharing to hide their self-interested activities. A second critique is that the for-profit platforms are in the business of exploiting labor. Political economist Robert Reich indicted platforms as diverse as Airbnb and MTurk, and argued they are no better than a 19th century-style “share the scraps” economy. Others talk of the *precariat* and a risk shift onto workers, caused by companies’ practice of classifying providers as independent contractors. (Ravenelle, 2015; Standing, 2014). This means the companies are not responsible for expenses and benefits, or providing any modicum of security, as employers must with ordinary employees. The third major line of argument is about taxes and regulation. Dean Baker, another left-leaning economist, argued that Airbnb, Uber and similar platforms are “facilitating a bunch of rip-offs” (Baker, 2014) of tax revenues and also of the consumer, who is getting a substandard, and possibly unsafe product. Because they have acted in the absence of government permission, Frank Pasquale and Siva Vaidhyathan have accused Uber and other sharing economy companies of engaging in “corporate nullification,” simply declaring government laws and regulation “null” as Southern States in the U.S. did in the 1950s and 60s in reference to federal laws that compelled them to desegregate (Pasquale & Vaidhyathan, 2015). A final critique is that selling slivers of one’s life (room, car, time, attention) is seen as an unwelcome, neo-liberal commodification of daily life that will inevitably undermine genuine social connection and solidarity (Henwood, 2015; Morozov, 2013) .

But perhaps it is premature to write the epitaph of the sharing economy, or, to adopt a more neutral term, what we prefer to call the platform economy. Despite these critiques from the left, there are many progressives who remain active in this sector. They see enormous potential in both the technologies and the new social arrangements that are being fostered.

The social core of the platform economy is Peer-to-Peer (P2P) exchange. The term comes from the open source software movement, and refers to open-access communities of collaborating individuals (Benkler, 2006). In the platform economy, the novel economic aspect is that P2P exchange occurs between unknown others, i.e., strangers. This creates issues of incomplete information and, by extension, risk for would-be transactors. How is that risk mitigated or managed? In conventional transactions, brand reputation or licensures (for professionals) are used to reduce risk. The technological analog in P2P economies is the crowdsourcing of information from users in the form of ratings and reputational data. This data enhances the willingness of people to transact by reducing the perceived risk of dealing with strangers.¹ As a result, widespread, well-functioning P2P economies are now a realistic possibility. This promise is a part of what attracts progressives to the sector.

The platforms are also attractive because they offer the possibility of earning significant amounts of money. This has been especially compelling in the wake of the 2008 financial crisis and subsequent downturn, the period when many of these sites were launched. While some critics have assailed the commodification of daily life the platforms are

fostering, we find that users are generally grateful for the economic opportunities. On this dimension the for-profits differ from the non-profits. For example in our study of a time banks, we find that a \$10-15 per hour market equivalent dominates (Dubois, Schor, & Carfagna, 2014), in contrast to the generally higher wages on the for-profit platforms. In general, we find that the non-profits offer relatively small economic benefits.

While the American debate about the sharing economy has raged in the press, there are fewer published academic studies. The scholarly literature has focused on the quality of ratings and reputational data (Luca & Zervas, 2015; Overgoor, Wulczyn, & Potts, 2012; Zervas, Proserpio, & Byers, 2014, 2015) and the motives and experiences of users (Albinsson & Yasanthi Perera, 2012; Bardhi & Eckhardt, 2012; Bellotti et al., 2015; Möhlmann, 2015). A number of prominent studies have involved platforms that do not use money, such as Couchsurfing and HomeExchange (Forno, Garibaldi, Scandella, & Polini, 2013; Parigi, State, Dakhllallah, Corten, & Cook, 2013). Studies that address the controversies noted above are less common. Uber and Airbnb have funded their own studies (Krueger & Hall, 2015) but they are not making their data available to independent researchers. This volume is an important contribution to an emergent literature.

In this paper, we draw on interviews with 43 earners on three for-profit platforms (Airbnb, Relay Rides and TaskRabbit), almost all of which were conducted in 2013. In 2015 we conducted follow-up interviews with some of those respondents. Although such a small

sample does not allow us to definitively answer many of the questions swirling around the sharing economy, we do have a number of suggestive findings.

Methods

The findings we report on in this paper are part of a larger program of research funded by the MacArthur Foundation (<http://clrn.dmlhub.net/projects/connected-consumption>). Beginning in 2011, our team of researchers made up of PhD students from Boston College and Boston University has undertaken a series of sharing economy case studies. The seven cases we have done to date are three non-profits (a time bank, a food swap, and a makerspace), three for-profits (Airbnb, RelayRides, TaskRabbit), and one mixed case of open-access education platforms and users (e.g., Coursera, SkillShare, etc). We have also begun data collection on Postmates, a bicycle delivery service. We have interviewed more than 200 sharing economy participants and conducted hundreds of hours of participant observation, mostly in Boston, although we have conducted some interviews remotely. Where users of a platform are divided into consumers and providers, we have generally interviewed both groups. The interviews range from 45-90 minutes and cover a wide range of issues, including participants' life narratives, how they got involved in the platform, their motives, attitudes toward risk, and their experiences. Our interviews are concentrated among people aged 18-34 because the innovators and early adopters of many of these practices tend to come from this age group.

Motives and earnings

“It’s, like, almost too good to be true”—Sheena, Airbnb host

All three of the for-profit platforms we have been studying are organized as peer-to-peer (or person-to-person) markets.² Airbnb is a lodging site in which individuals rent rooms in their own homes, or their entire homes or other properties they own. Relay Rides is a P2P car rental site in which individuals rent their own cars to other individuals. (In late 2015 this site rebranded itself as Turo.com, however we will use the name Relay Rides in this paper.) TaskRabbit is a labor exchange in which customers hire “Rabbits” to perform tasks such as house cleaning, delivery services, handyman work, computer tasks, pet sitting, moving and assembling furniture. Our interviewees also reported engaging in non-manual tasks such as being a virtual assistant or product tester, or doing translation or online shopping. At the time we did our interviews, these three platforms were growing rapidly.

On all three platforms, we found that the dominant motive for providers is financial.³ The sites we are studying emerged after the 2008-2009 economic collapse, and they became a desirable option for people who lost jobs or income in the crash, and for recent college graduates who could not break into the job market. For some of our respondents, student debt has been a spur to Airbnb hosting. However, many of the providers we spoke with were doing well economically, and for them, the appeal of the platform was to earn money to add to their full-time incomes. More generally, we found that while the desire to earn money was the dominant motive, providers’ economic situations varied widely. Respondents ranged from people whose incomes left them barely able to meet basic expenses such as rent and food, to those earning more than \$100,000 a year. With some exceptions, the providers we talked to were pleased with their experiences, satisfied with

the amounts they were able to earn, and enthusiastic about the sharing economy. When asked how they would rate their experiences on a scale of 1-10 (with 10 being the most positive), the median score among the 23 who were asked the question was 9. Only 5 of these respondents gave a score below 8.

Among the three platforms, Airbnb offered the best opportunities for earning, by a wide margin. In our sample we have two individuals earning more than \$30,000 per year on the platform—by renting out a single property. Sheena, a single young woman whose family has gotten into the Airbnb business, reported that she was expecting to earn \$30,000 the year we interviewed her. She explained that renting whole apartments on Airbnb yielded between three and four times the income of ordinary renting. Indeed the site had been so lucrative for her family that she was a bit suspicious: “Something’s going to happen, I know that. Because it’s, like, almost too good to be true.” Other Airbnb hosts who vacated their own homes to rent them were also able to earn significant sums. One management consultant reported charging about \$350 a night for his centrally located luxury apartment, and earning \$34,000 the year we interviewed him. However, as we discuss below, there were a group of Airbnb hosts for whom earning money was only a part of the appeal of the platform.

On Relay Rides, earnings were much lower. Only two owners reported more than \$1000 in total revenue. Economically, this group was probably the most diverse, as it included some people with near-poverty incomes and others with \$100,000+ a year salaries. Not surprisingly, their attitudes and specific economic motives varied. For a number of them,

having their cars sit unused is an irritation, because they have monthly bills associated with the vehicles. For others, the site made it financially viable to buy the vehicle. Another group was just pleased to be able to pay off their car loans or expenses with this incremental income stream. We also had a few who were just scraping by financially and the extra income, even though it was modest, was sorely needed. We found that nearly all of our interviewees were satisfied with their experiences. The amount of time it took to complete the transactions was small and they felt the risk was as well, given that the platform offers considerable insurance.

Among the TaskRabbits, although their situations also varied widely, earning was a strong, dominant motive. Some were students who had been unable to secure full-time jobs after their graduations. Others were on the platform to earn extra money, to pay off loans or just to supplement income. In 2013, the company estimated that 10% of Rabbits were using the platform for full-time work (Newton, 2013); our rate was at least twice that. For some, the flexibility provided by the platform was the biggest draw, as they were either starting businesses or had family obligations. Some were highly enterprising types, who preferred not to spend their free time unproductively. Overall, the hourly wages on this platform compared favorably to other market opportunities. We found that even people who only had commonly available skills (such as cleaning, driving, putting together Ikea furniture, or doing product testing) were able to make at least twice the minimum wage, and many were able to get a wage of \$20-25 per hour or more. However, few had worked enough hours to make significant sums—only two reported earnings of \$10,000 or more, and most had earned less than \$5000.

We also asked how earnings on the platforms compared to earnings in their full-time jobs (or if they did not have a full-time job, at other relevant paid employment). On Airbnb, nearly 60% reported earning more on the platform, about a third earned less, and fewer than 10% reported earning the same. On Relay Rides, only 30% earned more and 60% earned less. On TaskRabbit, only 20% earned more on the platform, nearly half earned less, and a third earned the same.

Sociability on the platforms

“No. Just the money. I mean, I haven’t made friends or anything.” -Allegra, Relay Rides owner

“I like to serve but I love people. Like I don’t just want to do a good job at the end of the day; Like I like the connection I have with people.... it’s very relational for me.” -Karen, TaskRabbit

Enhanced social interaction—meeting people, making new friends, and increasing community—is a frequently mentioned aspect of sharing platforms. Sociability is most prominent in the rhetoric of Airbnb, but because it is a feature of the general sharing economy discourse, we found that users of all three platforms had relevant experiences they were able to discuss.

On Airbnb, the social aspects of participation varied widely. For more than half the hosts, interaction was an important motivation and part of their practice. They socialized with

their guests, ate with them, took them out, and in some cases became friends with them. A few of our respondents said they would continue hosting even if their financial situations improved markedly, and others said that the social aspect was as important as the financial. One interviewee who also hosts on Couchsurfing, and is a TaskRabbit, recounted asking two European guests he got close to why they didn't stay with him for free, via the Couchsurfing platform. Others talked about how hosting was like traveling because others cultures come to them.

Using data from Couchsurfing, sociologist Paolo Parigi and his colleagues have also found that participation led to new friendships (Parigi et al., 2013). However, in a follow up study, they found that the ability of the platform to create these connections, especially close ones, has declined since its inception in 2003 (Parigi & State, 2014). Users have become “disenchanted” as the relationships they form are now more casual and less durable. These findings raise the question of whether the social benefits of sharing sites will continue as they become a less novel and more normative part of daily life. It may be that earlier adopters are more open to social connection and that as more people participate in the platforms for economic reasons, social interaction will decline. The trend toward absent owners on Airbnb also militates against social interactions, as we found many of the absent owners never met their guests.

A lesser, but significant number of the TaskRabbits also cited social connection as an important component of their experience. Some pointed to the creation of new social networks that they could rely on, the opportunity to meet people they would have never

met, and their satisfaction with the relations they developed with the people they do tasks for. For a few, the desire to interact with people is a prime motivator. One respondent explained that her day job involved little social contact, so she appreciated the ability to get that on TaskRabbit. Others seemed to like the opportunity to meet people who were financially better off than they. And for a few, the experience was just more purely social. On the other hand, it's clear that social connection is far less important on TaskRabbit than on Airbnb. Motives for participating are almost never social. In our follow-up interviews, sociability rarely came up as a dimension of experience.

Social contact is most constrained on Relay Rides. Many of the owners we talked to are comfortable with keyless entry or forgoing face-to-face key transfer, and never bother to meet their renters. Even when there is face-to-face contact, it is often only at the beginning of the rental. Although our interviewees did note a few examples of nice social interactions, this does not appear to be an important part of the experience, which accords with the findings of Fenton (Fenton, 2015). Relay Rides promotes a far more transactional, impersonal type of sharing than Airbnb or TaskRabbit. Social connection is more utilitarian, limited in duration, and fleeting. Relay Rides owners do not make friends, hang out or engage in extended conversations with their renters.

Overall, we find that enhanced social connection is by no means a reliable outcome of participation in the sharing economy. For some participants, social interaction is minimal. On Airbnb, some hosts have no interest in interacting with or even meeting their guests. "It's just about the money," say some of our respondents. Among the 43 providers we

interviewed, we found that a majority are not particularly interested in having social interactions with the people they are transacting with. They are there to make money, not friends.

We also found that in two of the not-for-profit sharing sites we studied—a time bank and a food swap—social connection was elusive (Schor et al., 2016). This was surprising to us, because these sites aspire to create social ties via non-monetized trading. In the case of the time bank, the trades are labor exchanges. In the food swap, participants exchange prepared foods. However, in both, even when people wanted to make new friends, they found it difficult to do so. We found that this is largely because participants engaged in high levels of status-positioning, and what sociologist Pierre Bourdieu has called “distinguishing practices.” High cultural capital participants rejected trades with others they felt had insufficient cultural capital. This made exchanges, and the social ties they can create, difficult to achieve. In the time bank case, a number of interviewees expressed disappointment about the extent of social connection they developed (Dubois, Schor and Carfagna, 2014). At the food swap, there was not only an inability to create social ties, but even the simpler task of trading foodstuffs was elusive. Despite being launched with good intentions, considerable enthusiasm and robust participation, over the months we studied it, the swap atrophied and eventually ceased to operate (Fitzmaurice & Schor, 2015).

Does the platform economy increase inequality?

“It takes money to make money” --Kyle, Airbnb host

While the discourse of the platform economy emphasizes that it has operated as a cushion in bad economic times and is a way to spread wealth, the story is more complicated. One reason is already widely recognized. Platform owners and their investors are appropriating huge amounts of value from users on both sides of the market. The co-founders of Airbnb became billionaires in 2015 (Konrad & Mac, 2015) and Uber's founder is also likely to be in that exclusive group (Bertoni, 2014). Within the sharing community, the appropriation of wealth by founders and venture capitalists has become a controversial issue (Schneider, 2014; Schor, 2014).

A second possible negative effect of platform activity, which is shifts in income outside of the top 1%, has not yet been addressed. We believe that the platform economy leads to an upward re-distribution of opportunity and earnings within the bottom 80-90% of the population. The better-off segment within that large group, namely those with stable, well-paying jobs, is boosting their earnings on a variety of platforms via increased work effort. Another reason inequality may be enhanced is that college-educated peers are taking on tasks traditionally done by those of lower educational status (e.g., housecleaning, driving services, hosting). If Airbnb reduces demand for hotels that employ low-wage workers as maids, food service and other other manual workers, income will shift upward from the working class to the middle class. A similar phenomenon may be occurring on sites such as TaskRabbit. While the platforms are probably increasing demand for some services because they offer low cost options, it is also likely they are displacing demand for lower-paid service sector workers. We use the conditional as we make this argument because at the moment, there is not much evidence

about this question. But our qualitative data suggests this effect. Even if the platforms are not displacing labor, our findings suggest they are disproportionately providing opportunities for people who are already well-educated and relatively well-off, thereby increasing income-inequality. There is one paper that addresses this question, but concludes the reverse: Fraiberger and Sundarajan (2015) use a simulation technique calibrated from data from Getaround (a Relay Rides-type platform) and conventional economic assumptions to predict that below-median consumers will benefit disproportionately. Our findings suggest the opposite, although it is also possible ride-sourcing platforms are unique.

Providers who come to these markets with valuable assets can enhance their financial situations. Airbnb is the most lucrative of the three sites, as noted above, with some hosts booking \$20,000-35,000 a year. But achieving that level of revenue requires assets—the high earners either own their apartments or have the earning power to obtain expensive leases. They also need access to alternative living quarters while their places are rented. Similarly, providers with expensive cars or highly valued skills are doing well. One TaskRabbit with good linguistic skills started a small translation business, and outsourced jobs to digital workers on other platforms. Another who specializes in virtual assistant work was also outsourcing tasks from the platform. This suggests that the platforms are helping individuals in the higher end of the distribution to increase their earnings, thereby exacerbating inequality.

The claim that the platforms are inequality-enhancing is supported by the education levels and job statuses of providers. In 2013, the company reported that 70% of their workforce held a Bachelor's degree, 20% had a Master's Degree and 5% had a Ph.D. (Newton, 2013). Among the 19 TaskRabbits that we interviewed, we had 7 with completed Bachelor's degrees, 5 with graduate degrees, and 4 who had only "some college" (although one was working toward her degree). The extra money that is being earned on the platforms is likely inequality-enhancing because most of the work requires much less education than the Rabbits have. Common tasks include housecleaning, driving, moving, putting together Ikea furniture, and office organizing. These are tasks that are traditionally done by people with lower education levels than most TaskRabbits. Indeed, while there is some higher skilled labor that is contracted for on the platform, most of what people talked about in interviews was work that does not require degrees or formal training. The extent to which tasks contracted on the platform are displacing traditional blue and pink-collar labor is unknown, but clearly some of that is occurring.

The situation is similar with respect to job status. Six of the 19 TaskRabbits we interviewed were people with full-time jobs or their own businesses who were using the platform to supplement their incomes. About half were in lucrative professions (lawyer, biotech scientist, accountant). Another five had part-time jobs and added TaskRabbit into the mix. Six reported no other type of employment, although for most of them TaskRabbit seemed to be transitional—one person was between jobs, another had lost a job as a software designer. Of the six who were working on the platform full-time only one, Rebecca, seemed to be trying to build a career on the platform. (We discuss her case

in more detail in the next section.) As noted above, the company estimated the fraction of people who were using TaskRabbit as full-time job at 10% in 2013 (Newton, 2013). This is consistent with our findings if we exclude those who were using it more as a stopgap. Finally, wages on this platform are considerably higher than what low-end service sector workers earn, an issue we discuss below.

Our findings suggest that these platforms may be shifting opportunity from lower-educated, less employed individuals to people who are already higher in the income distribution. The wealthier individuals who can afford to hire people to come into their homes to clean, organize, or take care of their possessions are attracted to options such as TaskRabbit, which offers highly educated, background-checked people more like themselves.

TaskRabbit circa 2015

“I mean like there are many times that you do this and you think, I’d be way better off working at McDonalds because I’d make the same amount of money and I’d have free fries” –Drew, Tasker

Critics of the platforms argue that they offer substandard employment without benefits or income stability and encourage a race to the bottom. In 2013, our providers were not making such complaints. That may be partly explained by favorable conditions in the early years: providers were mostly able to get as many exchanges as they wanted and our region had lower unemployment than other parts of the country which were harder hit by the 2009 recession. TaskRabbits were reporting wages in the range of \$20-25 per hour,

far above minimum. Airbnb hosts told us that they could earn three to four times their monthly rental costs. Providers loved the flexibility of the work, and in many cases, were enthusiastic about the sociability, especially on Airbnb, but also on TaskRabbit.

There is limited evidence that conditions on the labor platform have deteriorated since our initial interviews. We are in the process of re-interviewing TaskRabbits we first spoke with in 2013, and we are also doing additional first time interviews with providers, now called “Taskers.” One trend is that providers have left the platform. Of the five re-interviews we have done at this writing, only one person remains active. One moved and three stopped participating for a variety of reasons. Among those who stayed active for a while, ratings of the experience dropped sharply—from an 8 to a 3 in one case, from a 10/9 to a 6.5 in another. Interviewees also reported a drop in satisfaction over time. One reason is the view that the company no longer “has their backs.” As one Tasker explained: “They used to really, like, I don't want to say fight for us, but they were definitely like more responsive, I should say... Most TaskRabbits feel that way though, it's not just me.” Another explained that the company used to care about the individual Rabbits, but no longer does. A third went farther: “We really are just cannon fodder... They don't really care about us.” There is the sense that the company only caters to the customers now.

A second complaint concerned the “stupid calendar,” a new method of scheduling tasks that reduced flexibility and control for Rabbits, two qualities of the work that were highly valued. There was a lot of criticism of the new system at the beginning, and this

dissatisfaction is reflected in our data. People complain about being tethered to their phones, being deactivated if they don't accept enough jobs, the rigidity of four-hour scheduling blocks and the fact that there's no flexibility for cases where they can do some jobs during a block of time but not others. In this sense, and because the emphasis has shifted to customer, rather than Tasker satisfaction, there is the sense that working conditions have gotten worse.

Some of the providers are also noting a shortfall in demand, an issue that rarely arose in the 2013 data. However, they seem to be of mixed minds. Rebecca, the most active among our original sample says, "I actually get more tasks through this new platform" although she also explains that it's "harder" to get the tasks now. Boston now has a very small cohort of Taskers, only a few hundred, despite being the city where the service was launched. (Rebecca reported being hired by the company to drum up new business in what she described as "monied" neighborhoods.) Drew formerly had a \$200,000 a year job but has been unable to find new employment in software, picking up jobs on TaskRabbit and Craigslist. He also finds off-platform work through contacts he meets via TaskRabbit, which he considers a great benefit of the platform. However, his experiences are varied. He described one day when he had no other work, so he picked up a delivery job that in the end yielded only \$10 an hour and was "the stupidest thing I ever did...I mean like there are many times that you do this and you think, I'd be way better off working at McDonalds because I'd make the same amount of money and I'd have free fries." At the same time, he also tells us about some lucrative tasks.

In contrast to fears of “race to the bottom” dynamics, which the platform’s former auction model is more prone to, wages on the platform appear have risen. Leah Brusque, the founder of TaskRabbit claims the national average wage is \$30-40 (Taylor, 2015). Our interviewees make less than that but do generally agree that the hourly wages have gone up. Rebecca reports her personal wage floor is \$25 per hour. Another Tasker reports a \$17 per hour wage. But the higher wages that have prevailed since mid-2014 are likely a key factor explaining why demand is not more robust and must be seen in the context of low total earnings. (The company also increased its service fee to 35% for first-time transactions.) These hourly rates work well for those who have other full-time work. However, Rebecca’s \$25 per hour will only be yielding her about \$10,000 this year. Drew reports that he is earning \$12,000-20,000 a year. They are the only full-time Taskers we have interviewed in 2015 and both desire regular full-time employment but haven’t yet found it. As Drew explains: “Working for TaskRabbit is just a fantastic way to always stay at the poverty level, right? But at least you can pay your phone bill and you can buy some food and the landlord isn’t upset with you.” Findings from New York (Ravenelle, 2015) suggest an even more competitive environment with less work for Taskers. This also accords with the experience of journalist Sarah Kessler, who was unsuccessful getting tasks (Kessler, 2014).

The sharing economy is sometimes touted for teaching people skills and helping them learn new things. We asked Rebecca what she’d learned from her time on TaskRabbit: “More people in Boston have money than I thought. I’ve worked in penthouse apartments, I worked at the penthouse at the Mandarin Oriental Hotel, it was like, ‘Wow,

I didn't know all these people had money.' I didn't know, like, that there are places like that. I just—you know, sometimes I marvel at the places I that I work, because I never would have seen them otherwise. But skills, no, not skills.”

Commodifying Daily Life

“We had my in-laws for a month...so we lost a lot of money there.”—Erika, Airbnb host

For proponents of the sharing economy the ability to rent out slivers of one’s life—the apartment, car, a piece of photographic equipment, a couple of spare hours—is a boon. For critics, it’s hyper-commodification, a market encroachment into new domains that raises fears of crowding out genuine sharing and corrupting non-commercial culture (Morozov, 2013). The Airbnb host who complained about the money she lost during her in-laws’ visit seemed to be verging on the latter. She, and others, also raised the scepter of greed and how the newfound opportunity to make money was sometimes irresistible. On the other hand, we found Airbnb hosts who also offer lodging on the non-monetized Couchsurfing platform and many who said the social aspects of the experience are as important as the money.

Overall, we found that people are using the platforms differently, in ways that are relevant to these debates. As we argue in Schor (2015), we found three distinct models of economic behavior. One group, comprising just under a third of the sample, are classic *homo economicuses*, or “rational men,” who are highly focused on earning and attempt to maximize income via their search, pricing and other behaviors. A second group,

comprising 40%, have mixed objectives, with the desire for social connection being the most common secondary motive. (As noted above, these are disproportionately Airbnb hosts.) The remainder has a more instrumental attitude and just need to earn a bit of extra money.

The first category of earners displays the behavior most likely to characterize the hyper-commodification that critics are worried about. Erika, the Airbnb host whose in-laws' stay ate into her profits, also talked about how she didn't want social interaction with her guests, and how she found herself getting "greedy." She had a hard time turning off the Airbnb app when she could earn \$100 doing almost nothing. Despite having a \$100,000+ annual income, the lure of the money was hard to resist. One of our Rabbits recounted a similar phenomenon once he started outsourcing tasks he picked up on the platform. He eventually got into trouble by taking on a more ambitious task than he could manage. "I guess I got greedy. I got greedy." Other providers talked about some of the lengths to which they went to earn this money. One described becoming a nomad and living out of her car. Another used to leave town so he could rent out his luxury apartment. The group that was most market- and profit-oriented tended not to be those in most need, but rather a fairly well-off subset who were responding to the opportunity to make significant sums. Their narratives suggest it is less that the platforms are changing them than that their strong orientation toward making money is what led them to the platforms in the first place.

On the other hand, we have many examples of people drawing moral and symbolic boundaries, being motivated by non-monetary factors, and forgoing opportunities to earn. TaskRabbit Victoria talked repeatedly about jobs she rejected on status grounds: “Get me a latte from Starbucks and I’ll pay you \$8...Like no, get off your butt and get it yourself. Because that’s lazy.” In her re-interview, she picked up this theme again, describing a task she regretted taking, because she didn’t believe the poster deserved the service: “I did a grocery thing for someone...and then I, like, got to their place and it was, like, a college student. I was like, “What are you doing? How can you afford this? I, like, walked in the rain for you. You should be doing this.” So, I was, like, kind of bitter...Pretty pissed about it.” One Airbnb host reported not wanting to earn more than she paid in rent because that wouldn't be fair to the landlord. A Relay Rides owner purchased a hybrid vehicle to rent out in part to teach others about electric cars. Others talked about the social and ecological impacts of their activities with great passion and commitment.

How behavior will evolve is an open question. It is certainly possible that there will be convergence toward the *homo economicus* type as the platforms institutionalize and norms develop. Airbnb’s introduction of a pricing tool to maximize occupancy may lead to more calculating and maximizing behavior. The shift away from a more ideologically-oriented early adopter population to a more mainstream group of users may do that as well. If maximizing behavior does come to dominate, then the critics will have been prescient that one effect of the emergence of the platform economy is that another area of social life will operate according to a market calculus. On the other hand, there are still

actors in the sector who seem determined to retain its ideological commitments to creating social connection and building a better, more humane economy and society. Whether they will prevail in the face of the powerful economic opportunities these new platforms offer remains to be seen.

Democratic sharing?: the emergence of a true sharing economy

“I think some kind of cooperative would help...If people had, like, a cooperative of people investing in a fleet of cars so that we all own it, we all take responsibility in the car, how it’s maintained, and how clean they are, you know, filling up the gas tank--all those little details--not just a membership, but people actually taking ownership, and having a voice, and deciding.” –Tim, Relay Rides owner

We began this paper with the controversies currently swirling around the sharing economy. Outcomes such as labor exploitation, commodification and impersonality are likely due to the platforms’ desire to maximize growth or profits and the need to satisfy wealthy investors. In the last year, calls for democratic governance and even user ownership of platforms have grown louder (Chase, 2015; Schneider, 2014; Scholz, 2014). There are two main routes to this goal. The first is to transform existing platforms. The second is to build new ones. Each option has daunting dimensions, but also possibilities. In labor services, with the exception of Uber, the existing platforms are relatively weak. A number of platforms, such as Zaarly, Homejoy, and TaskRabbit, have either closed down or radically changed their business models. (TaskRabbit has done this multiple times.) None has a dominant enough position that a new entrant would be infeasible. In occupations such as home healthcare and housecleaning, where agencies currently extract large fees, user-owned platforms seem feasible. Another option is municipally-owned

labor exchanges which offer a range of services. (For an example, see <http://beyondjobs.com/>) If the demand for marketed personal services continues to expand (Hochschild, 2012) this could be both a valuable public service and a revenue-generating operation for local governments. For services where there are already dominating platforms such as lodging, organizing users on those platforms may be a more practical path toward user governance and control.

The economics of platforms may favor user control because the contribution of the platforms may decline over time. Unlike traditional businesses that produce and sell a product, the platforms are intermediaries and peers produce the services. How valuable is the intermediation? Currently platforms are contributing in four major areas: software, ratings, insurance, and developing a critical mass of participants. The software for sharing platforms is already being mass-produced at relatively low cost; indeed, there are now companies offering open source sharing software. Ratings and reputation systems are not yet robust. Furthermore, it is likely that individuals' reputational data will be detached from platforms to create portable ratings, a process that has already begun. Platform-independent reputation systems would also allow users to control their own information, which would be a social good. Insurance is the least problematic given that users can self-insure as groups or individuals. The most difficult of the four is critical mass. But if the volume of peers grows, then critical mass may be achievable with multiple platforms.

Peer-to-peer sharing platforms represent an important innovation. Whether they will devolve to Business-As-Usual or a radically different kind of economic model is unknown. What does seem clear however is that there is nothing in the technology or organization of platforms themselves that will guarantee they will meet common good aims. Our findings suggest that achieving such an outcome will require user organizing and democratically-driven public policy.

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¹How much ratings and reputational data reduce true risk is as yet an unanswered question. Current ratings and reputational systems are flawed (Luca and Zervas 2013, Ott et al 2013), which may be leading users to overstate the accuracy of the data. However, if there are relatively few malfeasants on platforms in their early days that overstatement may not be recognized. The data may also be better at revealing certain kinds of risk (eg., poor quality) than others (eg., safety concerns).

²While P2P transactions dominate on all three sites, not all activity on these sites is purely P2P. On Airbnb there are individuals who operate multiple properties and there are also now businesses using the platform. Our sample does not include anyone in this category. On TaskRabbit, we did find one person who was subcontracting work he obtained on the platform. There were also a number of people who used the platform to get clients as they started businesses. However, with the exception of the one subcontracting TaskRabbit, none of the providers we interviewed had expanded to multiple apartments or cars or to subcontracting, although a number said they were thinking about doing so.

³This is also the case for consumers, who we interviewed, but do not discuss in this paper. For them, the sector delivers low prices and a high value to price ratio, as well as convenience, ease of payment, and a largely pleasurable and often personalized experience.