2nd EMES-Polanyi International Seminar

CNAM, Paris (France), 19 – 20 May 2016

Societies in transition: Social and solidarity economy, the commons, public action and livelihood Axis 1 - Social and solidarity economy, social enterprise, and associations

Approaching Plural Economy Concepts and Sharing Economy Experiences

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Abstract

The purpose of this study is to associate conception of plural economy with experiences on sharing economy. First, we will present the field of study which is within the new economic sociology (NES), focusing on plural economy approach within it. The sharing economy is already changing the organizations, the economy and the society through of a new regulatory model of the relations of trade, ownership, work, production and consumption that is emerging worldwide in the 2010s. According to Owyang et al. (2013: 9-13), it is an economic model based on the trade of goods and services from people to people and not only from companies to customers. The sharing economy is reshaping the relationship between sellers and buyers, expanding transactions and redesigning consumption patterns, impacting the way of doing business. The regulatory model the sharing economy introduced is based on a perspective network and cooperative relations where the ownership of goods (private, public or mixed) is redefined and the wealth-building principle is the collaborative use of goods or services. As Gansky (2010: 7-8) stated, we are moving from a world where private intellectual property was something to aspire to a world where access to goods and services trumps property. Examples of organizational practices of the sharing economy have already presented themselves in daily life, through carpooling (the shared use of cars and vacant seats in vehicles), colodging (space sharing for hosting), coworking (workspace and features sharing) and crowdfunding (funding collaborative projects). Then, we will present some common practices on sharing economy around the world, highlighting Brazilian practices. Finally, we will propose approaches between these investigated practices and relevant concepts from plural economy. We consider this proposal as an exploratory and our question is: what are possible approaches between plural economy concepts and experiences on sharing economy? This essay is a result from the partnership between two newly created research centers in Brazil. The Group of Studies on Plural Economy (ECOS) of the Federal University of Cariri (UFCA) and the Applied Studies Center on Social Utility Organizations (Nous) of the Federal University of Bahia (UFBA).

Key words: Sharing economy. Collaborative economy. Plural economy. Collaborative consumption. Disruptive innovation.

1. Introduction

The manner of doing commercial trade has constantly undergone changes since prehistoric times as a result of alterations in the socio-economic models of regulation of this trade. In turn, these socioeconomic models undergo changes in their influencing factors: social relations, technologies and forms of production. According to Bottomore (2002: 80-83), capitalism changed and has constantly changed to incorporate several achievements and social transformation the world has experienced in the past three centuries, from the creation of the steam engine, electricity and the computer, to the political and social conflicts. In accordance with Rifkin (2014: 7), the existing capitalism model is, once again, recreating itself. It will not be promptly, but it will be inevitable and to this author, we are already experiencing a moment of hybrid economy, competitive and collaborative part. They have been together in synergy where one adds value to the other, despite having severe contradictions.

Whereas the model that manages the capitalist system of the twentieth century is maintained by an individualistic logic, where private property and competitive relationships prevails, the regulatory model introduced by the sharing economy is based on a perspective of group and cooperative relations in which the ownership of goods (private, public or common) is redefined and where the wealth generating principle is the collaborative use of goods or services. This new standard has attracted organizations that enter the capitalist economy, disturbing the forms of production and conventional labor relations. The following are examples of sharing economy organizational practices in daily life: a) Carpooling: shared use of a private car by its owner and one or more persons, offered by applications such as BlaBlaCar and Uber; b) Carsharing: private rental car mode for short periods of time for people who have any need to use cars, which is being provided by <u>OuiCar</u> and the <u>Zipcar</u>; c) Colodging: sharing form that allows individuals to lease the entirety or part of their own houses as a way to provide lodging, such as the services offered on Couchsurfing and Airbnb; d) Coworking: way of work that shares space, equipment and other office supplies, such as those offered in the Centre for Social Innovation and the La Guarida Creativa; e) Crowdsourcing: physical or virtual production environment that uses voluntary collective knowledge and intelligence to create products, content and / or generate information flow, as seen in the physical spaces of <u>FabLabs</u> or in <u>Virtual Communities of Free Software Production</u>; and *f) Crowdfunding:* raising funds through internet platforms for collaborative funding of projects, products and services with or without profit, as the ones available on <u>Ulule</u> and <u>Kickstarter</u>.

Here we present only some of the ways of representing the sharing economy in its worldwide dimension and financial reach. Examples abound with the swift popularization of these types of exchange of goods and services around the world, as noticed by the large growth and appeal of the North American companies Uber and Airbnb. Airbnb is a platform where owners offer their own houses and apartments as a cheaper alternative to traditional hotels. Airbnb had global revenue of US \$ 900.0 Mi in 2015 and its market value is listed at US \$ 25.0 Bi (Remus 2015: 56). Like Airbnb, Uber does not have any physical assets, and it is just a means of supply and demand for urban transportation through an application. Currently operating in

64 countries, Uber's market value is at \$51 billion and projects worldwide sales of US \$2.0 Bi in 2016 (Myers 2015: 1).

The sharing economy has showed its global presence in established businesses worldwide. In China, <u>Didi Kuaidi</u> provides a similar service to Uber and in 2015 it provided 1.4 billion services in its country alone, which is more than Uber had worldwide. Also in China, Tujia, a platform similar to Airbnb, has progressively gained supporters; <u>The Smove</u> platform, which only shares electric vehicles, has already become successful in Singapore and the Japanese company <u>Kitchiike</u>, that allows tasting international cuisine dishes without leaving Japan, has stood out by its singular service; In France, <u>La Ruche Qui Dit Oui!</u> helps identifying and obtaining locally produced food, which strengthens and invigorates the short circuits of economy. The number of consumers has grown so much that similar networks have been created in other countries of Europe, such as <u>iLa Colmena Que Dice Sí!</u> in Spain; In the Netherlands, the <u>city of Amsterdam</u> flaunts the title of the first shared city in the world, due to the joint efforts of public and private powers to transform it into a fully collaborative and sustainable city; Finally, in Brazil, it is possible to collectively fund projects through a crowdfunding platform with national recognition - <u>Catarse</u>, the Brazilian version of Kickstarter.

Given this scenario and these socioeconomic innovations, we ask ourselves about the real extent and potential capacity to trigger a new way of doing commerce and changing the course of global economy. Even considering all of these factors in favor of an economy based on sharing: will it be established as a collaborative standard to organizations and to future societies? Are we, in this way, facing another transformation process of capitalism? As curiosity and interest are the aspects that frequently lead researchers to certain theoretical and methodological choices (Zouain and Torres: 2005; Goulart and Carvalho: 2005), this exercise of appending a potential answer to these questions has led us to some studies and research.

In terms of methodology, this article is centrally based on literature and on documental researchs. We deepen the analysis from a review of articles, books, journals and technical reports and online documents in Portuguese, English, French and Spanish in order to introduce the arising topic of collaborative economy, and to systematize a scattered set of information. Furthermore, in a theoretical perspective, we intend - initially - to present the examples and discussions around sharing economy practices in greater detail, so that at the end of the paper we can present and reflect on the potential of economic sociology and, more specifically, the concept of economy by Karl Polanyi as a theoretical framework to understand the nuances of this new way of sharing, that for the market economy have a private and individualized nature. This last section before final remarks was characterized in this article as a research agenda.

Thus, this paper is divided into six sections: first, this introduction in which we present the purpose of this work. Thereafter, a second section tracing a short parallel around the concepts presented so far for the sharing economy. Shortly after, a third section which emphasizes the possible causes of the rise of the sharing economy. Then a fourth section addresses the criticism to the shared business models. The fifth section deals with the theoretical framework on economic sociology and the notion of economy in Polanyi that although brief, allows us to point this approach as a way of studies and research. And finally, a section where we expose the impact that sharing economy organizations have caused in Brazil and reflect on how the society of the future might be ruled by the sharing economy.

2. Sharing Economy: the construction of a concept

When dealing with a new economic phenomenon, there is yet a theoretical and conceptual effort to present the sharing economy. Some advances have already been achieved and it is possible, for example, to point out some key concepts that should make up the conceptual formulation of the sharing economy, such as **collaboration**, **connectivity** and **creativity**. Presented by Cantera and Vaquero (2012: 46), these would be the three key dimensions that determine the potential of an organization in a networking economic system, like the sharing economy. Two other key terms can easily join these three, as pointed out by Christensen *et al.* (2015: 2-3): **Innovation and disruption**.

For Gansky (2011: 16) the sharing economy businesses are those that should share something within a community connected through the internet, on mobile and social networks, demanding also certain creativity from its members. Still in this direction of bounding a concept, Chase (2015: 298) states that the conceptual basis of the sharing economy is combined in four distinctive pillars: a) open accessible assets outweighs closed assets; b) open networked mental models prevail over closed mental models; c) opening benefits are above the opening problems; and d) the act of receiving should be more valued than the act of giving. These premisses would be the basis for the building of new businesses, better connected and collaborative. Further expanding the search for a definition for the sharing economy, Rifkin (2014: 298) incorporates to the concept the prospect of using the idle capacity of goods and services that people already own within this economic model, and using trust as a valuing indicator of the accomplishments of the transactions. The first would be the trump card in comparison to the capitalist market economy, optimization of goods, turning them into common goods, reusing objects, spaces and services, stimulating a more sustainable way of life. The second would be responsible for building the business reputation, which is essential for the sharing economy.

In short, when analyzing the position of these authors about the elements that make up a definition of what is the sharing economy, approaching them could present a unifying conceptual proposal. Far from building a definition that seems comprehensive, since perhaps we are facing an evolving concept, it is possible to conceptualize the sharing economy as a business model that fully uses idle or little used assets, offered in the form of goods or services, which, in a shared way - through physical or virtual networking (like an internet platform or application) - allows the approach and articulation among vendors, customers, users, service providers and / or owners of property, for the better use of these assets, adapting them to their interests and needs, generating economic (monetary and nonmonetary) or noneconomic gains for all involved parties and positively impacting the environment. Armed with a concept, we depart to seize which potential causes have led the sharing economy to lead with the explosion and discussion of its contextual dimension.

3. The rise of the sharing economy

According to Owyang *et al.* (2013: 9-13), an entire economy is emerging from the trading of goods and services people to people, not more companies to customers. This is redefining the relationship between sellers and buyers, expanding transaction and consumption patterns

and impacting business models. This results in a growing market that holds new products, new services, new ways of consumption and interaction and growth. The *figure 1* below shows a configuration of how these business models that back up the sharing economy are distributed. Moreover, ownership and access are distributed in such interlaced or interwoven ways in the sharing economy, that they merge into a hybrid where it isn't very clear in some cases who is the owner or the user of the good or service.

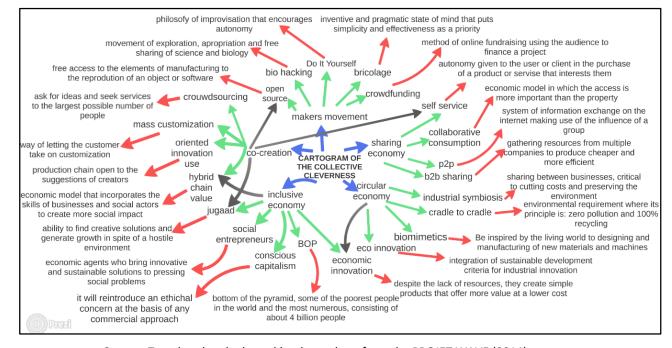


Figure 1. Mapping of the Sharing Economy

Source: Translated and adapted by the authors from the PROJET WAVE (2014)

To Morlighem (2014: 21-39), as a social animal, man has always collaborated. However, in society and in the modern economy, lending, sharing, trading, donating and exchanging have been marginalized and replaced by accumulation and private property. Thus, the event of the rising of the collaborative economy would be a true return to the sources of the past society's means of exchange and at the same time, a profound change within our contemporary society. Béchaux (2014: 22-23) adds to it by saying that sharing economy is not an entirely new phenomenon. For this author, what's new is the transformation of old forms of goods and services trading in a promising and powerful economic model of reorganization of work and production relations.

Such phenomenon can be considered as the result of three factors that have started to relate organically from the 1970s to this day: (i) <u>Socio-economic factor</u> - comprising the constant crises of the current economic model that conducts changes in possession, production and labor relations; (ii) <u>Socio-technological factor</u> - relating changes in information and communication technologies, especially in the dissemination and expansion of internet access; (iii) <u>Environmental factor</u> - addressing the need for a more sustainable future, in incorporating the exhaustibility of the natural resources crisis, threatening human survival on the planet.

These three factors that all together can be considered the sharing economy vectors are the reason to three revolutions developed from the 1970s to the present, namely: (a) <u>technological revolution</u> - starting from the introduction of the microprocessor, the creation of the mobile phone, going through the development of personal computers to the explosion of social networks and "apps"; (b) <u>environmental revolution</u> - starting from the fight of the first environmental groups, the Greenpeace foundation, passing through the First United Nations Conference on the Human Environment in Stockholm, until the global concerns about deforestation, pollution and climate change; and (c) <u>economic revolution</u> - originated from the oil crisis, the globalization of markets, going through the "end of employment" to the burst of the real estate "bubble". These three revolutions boost the sharing economy and we will further expose them giving additional information about each of them.

3.1. The influence of technological revolution

Society is currently living the information age, where the internet is as important as electricity was in the industrial age (Castells 2014: 9), and its popularity has expanded the borders and dimensions of the advances the planet is ultimately going though. Now, billions of people around the world are exposed to the inherent consequences to the constant flow of information present in this means. According to Castells (2014: 12), the internet has turned the local society into a global network where people and organizations are powered by digital networks that use it as a way of connection. For Rifkin (2014: 15), the expectation created by the internet that connects everything and everyone combined with the boost of extreme productivity that drives the world today leads us ever faster to an age of goods and services that flow freely. This interconnectivity has enhanced new economic practices through new consumer relations, such as the sharing economy.

In conformity with Béchaux (2014: 22) without technological innovation, collaborative economy would have never left the garage-sales or ride-to-the- status. Such technological innovations have their starting point in the rise of computers and later, the internet. According to Rifkin (2014: 15), the Internet allows a person to connect to another in search of synergies and to facilitate interconnections in order to optimize social welfare across the globe. Connecting everything to every being is a transforming event in human history and has allowed our species to create empathy and socialization with a large human family for the first time in history (Rifkin 2016: 349). Besides, Rifkin (2016: 349) reaffirms the ability that the Internet has to connect humanity into a wide neural network, therefore creating a generation that studies by using classrooms via Skype, socializes with friends around the world through Facebook, shares houses, clothes and just about everything online. In other words, virtual environments are ideal spaces to pour the sharing economy.

Following this trend, according to Cornella (2012: 16), technologies that facilitate collaboration and sharing are always emerging. The most obvious example is linked to the mobile phone. With it, the world of applications for mobile platforms grows daily. Gansky (2010: 8) reiterates that the new business based on the sharing of goods and services use the opportunities generated by mobile Internet to grow. Today, using a cell phone, it is possible to sit in a cafe while mapping hotel rooms nearby, reading reviews, comparing prices, negotiating an agreement and making the reservation, for example. Also for Gansky (2011: 4) mobile computing is growing at an explosive pace. It will soon be able to change the rules of

the game and in the blink of an eye we will have built a new sharing language. Cornella (2012: 16), the increasingly open data stream provided by the mobility and speed brought by the Internet and by mobile phones added to the skills of the people will be responsible for major changes in the coming years. The ease with which people around the world can collaborate, thanks to technology, to develop new technologies, create intelligent solutions and share goods and services will change the world.

3.2. The impacts of the capitalist system crises

As stated by Piqueras (2015: 48), in its current format of operation, "capitalism appropriates knowledge through privatization of what is collective and the precariousness of intellectual work". Such precariousness of knowledge was one of the basis used by capitalism to build the current economic approach. The distribution model of economic power coming after the oil shock in the 1970s is going to truthfully facilitate the movement of the collaborative economy three or four decades later. On the one hand, the black oil will be the greatest responsible for generating high profits in the 1980s and 1990s; on the other, it will cause many wars and be instrumental to spreading the terrorism that, from the 2000s, with the falling of the twin towers of the World Trade Center, will trigger a persistent crisis within the capitalist model of doing business.

For Sachs (2008: 71-84), such capitalist business model, praised by unprecedented efficiency in the production of goods and building wealth, is at the same time, responsible for many social and environmental wrongs that affect the planet since the nineteenth century. The wealth production capacity inherent to this system doesn't replicate with the same intensity in the ability to distribute wealth. Economic growth policies are included around the world in order to bring instant results to the economy and the population, creating a false picture of development. However, economic growth alone without real development produces massive unemployment, underemployment, poverty accentuation and, therefore, social inequalities. These wrongs are the inevitable price of progress for progress and cause the morale of dissatisfaction and economic crises that have been part of the recent history of capitalism.

As an example, Capra (2006: 184) points out the current economy is going through a crisis resulting from the anomalies that could not be solved in the 1970s: low economic growth, unemployment, unequal distribution of wealth, power shortage, among others. The crisis in Western economies after 2008 marks a lack of will to sustain the current capitalist economic model. It needs to reinvent itself, to build a more balanced and sustainable model. The path to this future may be through the alternatives proposed by the sharing economy. Cornella (2012: 26) confirms the discredit situation of companies and their degradation process in the last twenty years and suggests new pathways, which will have to rethink their ultimate reason for existence, their profit, and start to incorporate other purposes to the business. Assisting citizens in solving local problems, making the organizations more collaborative and connected to social movements and the dynamic economy of society can be listed as some alternative purposes. Because of that, it is necessary to redesign itself and build a model that is more balanced and sustainable. For Tapscott and Williams (2006: 3), the future will suffer profound changes in the structure and modus operandi of the companies and the current economy, based on new principles of competition such as free access to goods and services. The way out to this future may be through the alternatives proposed by the sharing economy.

To Cantera and Vaquero (2012: 85), to remain competitive in the expected prospect for the future, an organization must be based on knowledge, innovation and collaboration capabilities. According to Tapscott and Williams (2006: 281) smart companies should use the sharing economy as a way of reducing costs, building relationships and accelerating the innovation process. Excellence in innovation and creativity are common elements to many successful companies and are essential variables to create a healthy and differentiated competitive environment. This environment is taken into account by consumers who are becoming more willing to share and to participate in the rise of a new economy based on free access to goods and services (Cantera nd Vaquero 2012: 85; Tapscott and Williams 2016: 281).

3.3. The urgency of environmental sustainability

In 1987, the United Nations, through the World Commission on Environment and Development detailed the concept for sustainable development as an answer to humanity before the environmental crisis, "sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. "(The World Bank 2004: 9). In agreement with Morlighem (2014: 34), one of the striking signs pointing the collapse of a society is a conflict between short-term interests of a group that makes decisions and long-term interests of society. This conflict has led not only to the consolidation of the socio-economic inequalities, but has also caused an environmental crisis that projects us beyond the urgency and the current contingencies. The creation of a sustainable system that entails a better quality of life for future generations is the reason why the ecological movements fight for since the 1970s, which, unfortunately, has not been accomplished. We have been going through an era of abundance for a long time, but leaving behind for future generations an era of energy, food and drinking water scarcity.

These predictions have become increasingly real. According to Rifkin (2016: 316-317) humanity now consumes resources equivalent to the one Earth and a half, and if consumption trends continue, according to the United Nations, two Earths would be required to support the appropriation of resources by men. As well as Rifkin, Capra (2006: 204) also draws attention to the damage caused by the advancement of consumption, stating that "the unlimited expansion in a finite environment can only lead to disaster." The problems caused by economic growth without measuring the environmental concern (pollution of air, soil and water, deforestation, extraction of natural resources and extinction of biodiversity species) that has led society to resort to searching alternative forms of production and consumption. To Dill Goi and Lopes Sparemberger (2010: 100-102) the exacerbated consumption pattern created by men produces a big problem, since nature cannot restitute its resources with the same speed they are exploited. According to Bauman (2008: 65), consumerism is a "mistake economy", once it's invariably based on a movement characterized by irrationality, lack of sobriety and consumer information. However, on the current economic model, these aspects reassert the good condition of consumerism practice by stimulating the individual desire of owning good, unnecessary ones in many cases. This is where the market rests to stimulate consumerism in modern times, as shown by Barbosa and Campbell (2006: 48-49). You must consume quickly and constantly so that there is support for the economic growth and technological progress justified by the economic market system.

In this environment, the sharing economy presents a timely response that addresses the demands of society in this century. In the sharing economy, workplaces are shared with other projects, car sharing can cause a decrease in the use of polluting fuels, local production can attend to short precincts and also allow trading between neighbors, and used goods can be traded online. For Rifkin (2016: 349), sharing cars, bicycles and public transportation shows commitment of our species to the sustainable development and represents change in human mindset, which becomes more committed to building a more collaborative biosphere. All of this essentially constitutes the development of new economic practices capable of optimizing the use of resources to meet the needs of the society and the planet.

4. Challenges for the sharing economy.

As outlined above, sharing economy is an emerging multidimensional phenomenon (social, economical, political and cultural) with high-growth and support around the globe. We have already explained its causes, meanings and pointed out its potential effects. In this section, we'll evidence some critical challenges to this model. There is the challenge of overcoming the projects, actions and opportunistic networks that want to "attach" their image to the sharing economy model because of its positive connotation that, for the moment, seems to combine the organizations that make up this model due to its popularization. Yet there is also criticism made to the business model that has emerged as sharing economy, has grown, and its natural cracks become apparent.

There are many organizations interested in joining the term "sharing economy", aiming at the benefits and visibility they can get, even though they aren't part of this new regulation model of economic and social life. This behavior of some organizations, though fairly new, has a label. It's called sharewashing or "sharing makeup." Such conduct consists in "dressing up" as sharing a service that is actually just a conventional business without real collaboration or effective sharing. Some authors, such as Mena (2016: 1), goes as far as to two icons of the worldwide spread of the sharing economy, Uber and Airbnb, as examples of sharewashing. One of the main claims of the author is that these platforms have increasingly grown with global business players and might be distorting in its business practices the application of sharing. To Millard (2016: 1), undertakings such as Uber and Airbnb might be using the sharing economy merely to escape their legal obligations and to provide statutory warranties to workers, claiming not having employees. Some of their arguments are grounded in the criticism that Uber and Airbnb have faced about some unresolved aspects such as the lack of guarantees for their service providers, the absence of regulation for their functioning and the natural, or logical - due to lack of regulation that states where their type of business fits - tax evasion.

On the other hand, it is important to know that all these questions are obvious effects of the rising of new model that doesn't have any support in existing paradigms and mental models. It is necessary to note that the modus operandi of Uber and Airbnb don't work within the current standards of labor relations, property and production. The industrial organizations in the twentieth century went through something similar, when they had to overcome the model of labor relations - pre-industrial or enslaver - in place in the factories to adjust to the age of ruled relations dictated by labor laws. Similarly, the digital and informational economic organizations from the 1980s and 1990s imposed an operating model where workers were

freer to adjust their working time and could work from home. The walls of the factory were no longer limiting production in this new knowledge society. Now, in the sharing society, there are those who can't understand that the mental model that considers the labor only in the boss and employee view is clearly stuck in the past. After all, who asked if the car owner that realizes a commercial activity on Uber or someone who hosts a person in their home with Airbnb is interested in being employed by these organizations? It is imperative to deepen the debate on other opportunities to avoid hasty conclusions about businesses that we don't even know or can't be fully explained by their transaction patterns and existing business models in the dominant system.

The debate is also addressed in Meelen and Frenken (2016: 1). According to these authors, sharing is related to the use of idle capacity. In this case, it's simple: when there is use of idle capacity, there is also sharing economy. When there is no use of idle capacity and the service exclusively seeks profit, it shouldn't be considered a sharing economy business. On the other hand, Kalamar (2013: 1) is more emphatic when addressing urban mobility services. According to the author, the only thing drivers from sharing economy platforms really share is the risk. Companies such as Uber and Lyft leave all the risk entirely to their drivers who use their own car, their own fuel and, if they wish, pay their own insurance. This position became clear in 2014 when Uber drivers were involved in accidents in the United States. The company claimed having no employment relationship with the drivers so they could escape any legal implications the situation could cause (Carlin 2014: 1).

Then again, we can't fail to mention that these drivers - vehicle owners - act by freely and willingly and receive compensation for the service they provide. If the service causes them loss, it is believed that they would no longer operate with these organizations. It is worth pointing out how much sharing economy seems to value freedom in the acts of its business model. The lack of ties - labor, contractual or other - desired and emphasized by many, in turn, urges freedom desired by so many. As stated by Sen (2010: 10), in his classic work "Development as Freedom", the expansion of freedom is seen, in this approach, as the primary end and the principal means for development. In other words, development is the elimination of freedom deprivations that limit the choices and opportunities for people to deliberately exercise their agent status. Freedom is not only the foundation of success and failure evaluation of a company, but also the main determinant of individual initiative and social effectiveness. Having more freedom improves the potential of people to care for themselves and to influence the world (Sen 2010: 33). It is extremely premature to affirm if, indeed, sharing economy is a carrier, somehow, of a model of freedom exaltation as proposed by Sen (2010), but this aspect of the level of freedom promoted by sharing economy compared to other models of regulatory organizations, society and the economy that are dominant deserves to be observed with accuracy.

Finally, according to Kleinfeld (2015: 1), the sharing economy may turn out to be ephemeral and unfair if it doesn't provide any guarantees to workers, particularly in the case of Uber. But recently, the drivers who use Uber achieved a victory in the state of California, in the United States, where the local court ruled in favor of a driver by granting him the right to be classified as an employee of company. In London, the dissatisfaction of drivers-vehicle owners who operate on Uber has taken them to mobilize around the creation of a union in order to claim improvements for everyone who works in this business model. Schiller (2015: 1) indicates a

possible intention to provide more security to workers in the sharing economy. The initiative conceived by entrepreneurs Nick Hanauer and David Rolf would grant benefits and guarantees based on the hours worked. The system is called Shared Security Accounts. This accounting system is yet in the development and improvement state, but as far as sharing economy itself must pass the tests of everyday life to attest their successes and failures.

The absence of minimal regulation in all situations ends up becoming a "great" environment for organizations to impose their services and operations. However, we must highlight that one of the major challenges sharing economy has to face and overcome, whether it is in inherent discussions due to lack of employment relations or regulation as a commercial entity, the sharing economy organizations need to be discussed within the perspective of a new business model (which is what they truly are). We are still in giving baby steps, although firm, to establish the patterns that work to understand them.

5. The New Economic Sociology (NES) and the design of economy in Karl Polanyi as a research agenda to understand the sharing economy

According to Swedberg (2009), as from the 1980s sociologists began to question the market functioning and the role of trust in the economy. In general, they sought to understand how the economic action is embedded in social relations. In the 1990s, a sizeable amount of studies and research had been developed and came to be known as New Economic Sociology (NES) (Lévesque, 2009). But why "new" economic sociology? For Lévesque (2009), there are two reasons: first, because it is very different from the economic sociology from the 1920s to the 1970s, from the Parsonian paradigm and from Marxism, and it also differs from that specialized sociology (sociology of work, industry, business and development etc.), i.e., an economic sociology that would eventually ratify the separation between economy (market and currency) and sociology (development conditions and social consequences)¹. The second reason for considering a "new" economic sociology is contextual and paradoxical. For Lévesque (2009), the moment when it (re)appears at the end of the twentieth century can be compared to the time of economic sociology from the late nineteenth century (the capitalism moment pronounced by the laissez-faire, imperialism, unionism and by social economy)². The NES from the twentieth century (re)appears at a time of "reconquering capitalism", of neoliberalism and laissez-faire, but also a time when the social demands and the need of governmental intervention escalates to never-seen-before levels.

Within this NES, different approaches can be identified, but its whole gives way to a new paradigm "in which the economy appears strongly dependent on the social" (Lévesque 2009: 124), even in the face of neoliberalism and its motion for the self-regulation of the market. In view of the NES, the relationship between economic and social is rewritten, and its content is reset. Economic ceases to be reduced to the market to include the non-market and the non-monetary, as explained by Polanyi, originating the term "plural economy" (Laville 1994). The social is no longer reduced to distribution and social spending and it becomes "social capital" (Lévesque 2009: 111).

¹ The NES differs from Marxism "when reversing the economic determinism of society in favor of a social determination of the economy" (Lévesque, 2009: 109).

² At that time, classics such as Weber, Durkheim and Simmel were concerned about discussing the social consequences of capitalism. For Lévesque (2009), the NES reexamines them.

Among the approaches inherent to the field of economic sociology knowledge indicated by Lévesque (2009), is interesting to this work, particularly the notion of <u>substantive economy</u> (or <u>plural</u>) and <u>embeddedness</u>. This approach carries the idea of economy we think is a meaningful way to deepen the understanding of the presented scenario, which has become very complex. This complexity can be perceived both by the nature of the goods and services that have been shared due to its design and management methods that many examples around the world have been adopting. We believe that the practice of sharing economy not only calls into question the capitalist model of development economy but also allows us to offer explanations to the economic phenomena from their social, political, cultural and environmental grounds.

The substantive idea of economy (or plural economy) assumes that the relationship between the producers and nature admit a plurality of economic principles that go beyond the formal conception of economy, which is the orientation to gain, typical of the market economy (Laville 2009). Contrary to this "formal" (or "traditional") economy approach, Polanyi (2000, 2011) proposes an historical and anthropological approach to understanding the economic fact. In order to elevate the understanding of plural economy, it is necessary to start from the understanding that the market progress does not mean the loss of economic relations moved by different logics from the logic of material gain. The logic of redistribution, organized by the state, shows the embeddedness of the economy and public policies, and the presence of reciprocity attests to the embeddedness of the economy and culture, driven by a variety of movements that combine personal interest and altruism (Polanyi 2000; Lemaitre 2009).

Economy in this sense would be "the set of phenomena that arises from the dependence of man to nature and their peers." Over time and space, there are different ways to exchange goods and services: i) "bartering" as a <u>market model</u>; ii) <u>redistribution</u>, which requires a centralized institutional model; iii) <u>reciprocity</u>, encouraged by a symmetrical institutional framework; and iv) <u>domesticity</u>, focused on family relationships. These "principles of economic integration" are logical structuring of ways to produce and consume, and also transferring and financing (Servet 2013; Blanc 2013; Hillenkamp 2013). In other words, it can be stated that only the understanding of an expanded notion of economy, such as the one proposed by the Polanyian bias allows understanding the fullness of the mapping of various types and forms that materializes the sharing economy, exhibited in **figure 1** (previously presented in this paper).

In this manner, the market principle relates to the establishment of a price relationship and a contract between seller and buyer. In the redistribution, collective production is distributed by a central institution (the state), and the relationship is established between a central authority and the agents subject to the redistribution. For Servet (2013), these two principles are the most widely studied and illustrated by Polanyi and also the ones that have targeted discussions around their ideas. Some scholars argue that the principle of domesticity received little attention from Polanyi, as it isn't central in his works (Blanc 2013; Servet 2013).

The reciprocity principle happens within the structures and management methods where there is a search for an economic and political equality; the will of converging interests between production, consumption and financing; promoting self-management and democratic practices, among other things such as the concern for the effects of production and consumption on future generations (Servet 2013). Servet (2013) draws a parallel between the understanding of the reciprocity principle in Polanyi and the contemporary practices of solidarity economy. In our understanding and our proposed research agenda, the same could be done with practices in the sharing economy.

Likewise, the domesticity principle or householding in Polanyi is dominant in closed groups such as the family and the village³, where the internal organization can be distinguished both by democracy and despotism (Hillenkamp 2013). Hillenkamp (2013) interprets and extends this concept to understand it in our society, arguing that Polanyi doesn't ground its ideas on historical facts to explain this principle and to explain the redistribution and reciprocity principles, producing a much more abstract and general discussion than an institutional structure. The author argues that, like reciprocity, domesticity isn't only limited to the archaic societies and their forms are renewed in the contemporary society.

In Polanyi, householding appears through a set of standards and rules of a relatively closed group (not necessarily autarkic), which ensures the production, and sharing of resources to meet the needs of members of this group. In the process, it is set a certain degree of stability and unity to the economic process (Hillenkamp 2013). From there, Hillenkamp (2013) identifies two basic aspects of the concept: the logic of sharing and identity. The first refers to means of production for their own use and sharing that define the very existence of the group. In this case, sharing is not limited to autarkic societies (self-sufficient in economic terms). However, the idea of identity seems to be the distinguishing measure instead of autarky, according to Hillenkamp (2013: 225.): the existence of a common identity defining the group and closing it, where resource sharing provides a material basis. This identity stems from different ways of building the membership and belonging conceived as hereditary, such as biological affiliation, the home or the community, representing particular arrangements.

Hillenkamp (2013) also points out that identity implies an empirical difficulty, which is its variable or floating nature in the group. This way, including the "domestic world" in the understanding of the real economy in society means accepting this variability. Still on the domesticity principle, the author points out that the sharing does not necessarily mean the existence of interdependence or equity within the group. The term is ambiguous and domesticity does not exclude the possibility of exclusionary practices and relations of domination within the groups. Transposing this understanding to the present society, the author argues that it is in the "popular economy" that domestic economy appears more evident (beyond that of the home or dwelling economy). Its integration with the market is also evident.

The analysis of these principles also allows understanding not only how sources of resources circulate and are distributed, but also understand how they are seized by those involved. The

³ For Hillenkamp (2013: 219), Polanyi doesn't develop the analysis of domesticity as a principle of economic integration on the grounds that "we can only practice domestic economy in a form of agricultural society that is fairly evolved." This way, they would be historically very specific thus very little conceptually generalizing.

⁴ Understood by Hillenkamp (2013: 226) as "a set of economic activities and social practices developed by popular groups in order to ensure the satisfaction of basic needs, material as well as immaterial, using its own workforce and available resources.

particular forms of organizing production within certain social systems, for example, allow us to separate each other and understand the principles interdependently (Servet 2013). Finally, the analysis of the design of the economy in Polanyi seems to be something essential to extend the theoretical understanding and diverse universe of the sharing economy practices. Therefore, we plan to develop a research agenda with this cast of Polanyian analysis of interdependence among the guiding principles of the economic process - redistribution, reciprocity, market exchange and householding, allowing understanding which production, consumption and use of resources model we are dealing with when we turn to the discussion of the sharing economy.

6. Finals remarks

To Gansky (2011: 5), a new model in which consumers have more choices, more tools, more information and more power to guide those choices is growing roots. These businesses have cleverly exploited the perfect storm of factors that strengthen the rupture of paradigms. The change in the consumer attitude and willingness to benefit from sharing platforms market can be understood from the changing values of a society, which is the foundation for all of its manifestations. In the same way stands Capra (2006: 182), when states that the values determine the worldview of society as well as their characterizing religious institutions, scientific and technological developments, political and economic actions. The change in values, therefore, also represents new development patterns, including economical ones. The sharing economy can be pointed at this time as the representation of the resulting economic evolution of a change desire of society's values.

The impact observed in the new ways of consuming from the younger generations is an example of this. According to Rifkin (2016: 328), the new sharing feature is already starting to cause a positive impact on nature from the changing of consumption habits, as younger generations prioritize distributive and collaborative networks, peer-to-peer; less materialistic and more sustainable, less opportunistic and more empathic. The world's population, according to INED (2015: 1) was 7.25 Bi inhabitants in 2014. Of this total, 24.8% or approximately 1.8 Bi inhabitants are classified as young by UNFPA (2014: 1). Considering this percentage of young people in relation to the total population of the planet and the arguments of Rifkin (2016) and cases of activeness and choices of the world's youth for a more ethical and healthy posture, it seems that the future path for sharing economy business is surrounded by great expectations, especially when facing the fragility that the prevailing business and economic models offer.

Thus, the approach of the sharing economy, from the perspective of the NES could be thought from the idea of substantive economy - or plural economy, as named by authors like França Filho and Laville (2004) and Laville (2009) - that questions the separation between economy and society. In general, what has been called sharing economy deserves to be understood in a different and expanded mode. This differentiation and expansion would take place not only in the identification of commercial practices, but also a number of exchange, production and consumption activities, such as redistributive activities (carried out by the state) and non-monetary practices, based on reciprocity.

Therefore, the sharing economy puts itself as an alternative to the frailties of the traditional economic model of capitalism for survival in the face of changes and progress achieved by men over the past four decades. The power of social networks and the internet, the unfavorable economic moment to the self-centered rational approach and the need for sustainable development are placed as the three pillars for growth of sharing practices of goods and services around the world and in Brazil. In fact, in Brazil, it is possible to observe some government intervention to encourage activities of sharing economy in the country. The arrival of Uber in Brazil has been marked by strong protests from regular taxi drivers in the cities where that organization operates. At the end of 2015, the city of Sao Paulo showed advances to regulate the situation of Uber drivers through a concession that these drivers will have to pay the city (Época Negócios 2015: 1). Likewise, the online streaming service Netflix awaits a decision of the Brazilian judiciary on charges of 2% tax on the provision of services (ISS tax). We can also highlight the initiative of the City of Sao Paulo in building 12 FabLabs, which will make it the city with the largest network of public FabLabs in the world. FabLab is short for Fabrication Laboratory and, according to Mota (2012: 22-23), they are spaces of suitable technological infrastructure for the development of entrepreneurs personal and collective projects. In addition to the provision of shared equipment, FabLabs also serve as a setting for a network of people who exchange experiences and counseling through meetings and workshops, bringing new ways to produce and consume to all social classes (Nogueira 2015: 01).

As seen on the understanding of Polanyi's economic principles, their existence and integration allow us to understand the sharing economy practices. If we think within the market context in which the practices take place, the more collective forms of management and the very notion of sharing, we integrate market and reciprocity principles. If we think about the relationship of these practices with the state, sometimes inhibiting them, sometimes stimulating and regulating them, we face a number of centralizing factors integrated to the other principles. Yet, if we think about the question of identity (if not of a specific group, an ideological identity of using shared goods and services), we can reflect on an update of the domesticity principle.

This way, the sharing economy combine their ideals in encouraging progress in discussions on sustainable development and especially the need to embrace more sustainable and collaborative political and socio-economic processes in business. So, it is supported by the sharing economy organizations and collaboration that we propose a possible reconciliation of the business world with society, more committed to generating social and environmental value for future generations. In fact, in this aspect settles the possibility of coexistence with the freedom of a more fully and that might announce this as an integrative part of the sharing economy. Different kinds of freedom can strengthen one another and star in the development beyond centrality in the aspect of economic growth, but raised to the balanced sustainable development between the environmental, political, economic and social dimensions, as stated by Sen (2010: 26). With proper social opportunities, individuals can effectively shape their own destiny and help each other. The final question that arises is whether this business model and regulation of new practices of trading, consumption and production of goods and services practices, namely collaborative, are enough to answer the questions of the working world and the concrete expression of corporate social responsibility to society. We expect to

further study and monitor the development of sharing economy to come to some response referral about it in the future.

The study and research of a research agenda of this nature, would promote two contributions from a Polanyian perspective: on one side, a more proper analysis of the relationship between economy and society; on the other, an analysis of experiences undertaken within the center sharing economy. Accordingly, we propose "seeking to recognize the social dimension, prioritizing people over capital, social utility and collective interest; and working with the values tof solidarity, cooperation, mutual help, equity and social justice "(Lévesque, 2009, p. 126). This author makes these and other considerations using the example of solidary economy. However, we understand (and this is what we propose as the research agenda here) that this approach also seems adequate to understand the sharing economy practices.

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