

From Ownership to Usage

The 1960s' Legacy of the Sharing Economy

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[TOM CHRISTIAENS]

Ownership is old hat. Swapping, giving and sharing goods and services is the new way of trading. That, in essence, sums up the sharing economy – a movement that has been growing strongly in Belgium and the Netherlands, too, in recent years and which is gnawing away at the roots of capitalism. *Sharing is caring* is the credo of its proponents. Their voices sound like an echo from the idealistic 1960s. But is it really the case that the sharing economy owes its legacy to the 'Golden Sixties'? Well yes, and no.

It is Friday evening in the city of Kortrijk in West Flanders. The ground floor of an old textile factory has been transformed into a creative 'factory of the future', with machines taking pride of place. Students, designers, artists and other kindred spirits are engaged in all kinds of activity in the BUDA::lab. While one waits patiently for the 3D printer to churn out a model, another is using a laser cutter to finish off a panel for his bike. Someone else is sitting at a computer, designing a valve.

BUDA::lab is a FabLab, or *fabrication laboratory*, a public 'makerspace' where anyone can make things in return for a small fee. There are computer-aided prototyping machines which can transform your ideas into tangible products. And any FabLab that is worth its salt will have an electronics section, a 3D printer, a film cutter, a CNC milling machine and a laser cutter.

The BUDA::lab in Kortrijk attracts people from a variety of sectors and disciplines. They come together in one of the many workshops to learn new skills, inspire and challenge each other to make objects together. The result is a 'community of makers'. Reference is made to the Holstee Manifesto: *Life is about the people you meet, and the things you create with them. So go out and start creating.'*

BUDA::lab is one of sixty FabLabs that have been founded across Flanders and the Netherlands in the last few years. They are part of a global network of more than six hundred.

FabLabs are an excellent example of what in recent years has come to be known as the sharing economy, with at its heart the maxim that ownership is no longer important; what matters is what you have access to. The people making things in a FabLab don't own the machines, but they have easy access to them and can use them to the full. The logic behind this is that there is no



point in everyone buying costly equipment if it is easier and cheaper to share it. The makers are also encouraged to share designs and ideas openly within their own network and with other FabLabs. As a result, they are often fertile breeding grounds for innovation.

Community, access, sharing, using: these are notions which perfectly describe the sharing economy. It is given form in a wide range of initiatives which are enjoying growing support in all corners of the Low Countries, from small-scale endeavours to projects with national coverage.

All shapes and sizes

The best-known form of the sharing economy is the sharing, swapping, lending or donating of usable goods. Initiatives can be found in the smallest municipalities in which goods change owner through informal services that are provided both off-line and online, often free of charge or for a small fee. People can give things away at a *geefplein* ('giving event'), go to an *instrumentheek* to borrow tools cheaply, have faulty appliances repaired at a *Repair Café*, and fashionistas can swap rarely-worn apparel for hip clothing at a *swishing* event.

One highly popular initiative is *Peerby*, which began in Amsterdam in 2011 but is now used by tens of thousands of people in the Netherlands, Belgium, Germany and the UK. The *Peerby* mobile app or website can be used to borrow and hire things such as power drills, ladders or a wood chipper from people in the neighbourhood. It is a demand-driven process: you post a request online and your neighbours tell you whether they are willing to lend it to you. This kills three birds with one stone: borrowing means it costs less, you get to know the



BUDA::lab

people in your neighbourhood better and the planet benefits, because fewer products have to be made, meaning fewer CO₂ emissions.

Peerby is a social forerunner in the sharing economy, because it arose as a result of the desire to contribute to the environment or to community life. The examples in Flanders and the Netherlands are the *Repair Cafés* and the *Thuisafgehaald* initiative, in which people cook extra portions when preparing a meal and offer them to their neighbours for a small charge.

Some sharing initiatives have developed for financial reasons, to save money. This applies for expensive products, for example; and it is not just things that people don't have in their own homes that are shared *en masse*, such as scissor lifts or cherry pickers, but also cars or rooms for tourists.

The idea of shared mobility is also gaining ground. There are platforms today for sharing transport and related items, from cars, bicycles and boats to parking spaces, taxi rides and journeys, with examples such as *Uber*, *Cambio*, *Snappcar*, *WeGo*, *MyWheels*, *Samenrijden*, *Taxistop*, *Eventpool*, *Eurostop*, *Toogethr* and *Greeters*.

Space can also be shared, for example a home (*Oppas Taxistop*, *Huizenruil*, *Cohousing*, *Samenhuizen*, *Allesthuis*), holiday accommodation (*Airbnb*, *Couchsurfing*), workplace (sewing cafes) or office space (*Bar d'Office*, *Deelstoel*), or even a vegetable plot (*Tuindelen*, *Samentuinen*).

Initiatives such as shared gardening, food teams and food-sharing (*Share-yourmeal*, *Thuisafgehaald*) focus on shared food production. The emphasis here is on a 'fairer' relationship between producer and consumer, whilst minimising the ecological footprint. There are frequent examples involving regional and seasonal produce supplied by a local farmer.

And sharing need not always involve tangible objects; people can also share knowledge and skills, care, odd jobs and even time via informal networks (*Oudermatch*, *WeHelpen*, *Croqger*, *Klusup*, *Konnektid*, *Timebank*).

A very well-known example is LETS, or *Local Exchange Trading System*, which started in Canada in 1982 and went on to gain a firm footing worldwide. As its name suggests, it is a local exchange system in which people do odd jobs for each other with no money changing hands. LETS networks use tax-free forms of credit, with original names such as *Noppes* in Amsterdam or *Stropkes* in Ghent. LETS members can earn credits by cutting hair, for example, which they can spend later, perhaps on a cake baked by another member of the same LETS group. There are more than eighty LETS groups in the Netherlands and over forty in Flanders.

Another phenomenon worthy of note is crowdfunding, in which people come together to contribute to a particular cause – though in this case there need not be a social purpose. There are for example group purchase initiatives where individuals can invest in a sustainable project together with like-minded others, such as the purchase of cheap (green) electricity, condensing boilers or solar panels.

Sharing for financial gain

The sharing economy began as a social experiment by private individuals, but has moved beyond this as businesses have also embraced the principles of sharing as a way of making money. The sharing economy has become a new business model. That is not without logic, because what business manager would not support a model that is based on making better use of spare goods and services by sharing them?

While most individual initiatives are focused on private individuals, more and more platforms are appearing which integrate these individualistic ideas into business-to-business models. Take *Flow2*, for example, the first – and globally active – sharing marketplace for businesses, which allows them to share surplus materials and infrastructure and the underutilised skills and knowledge of their staff. Businesses from the most diverse sectors, from the construction industry to the care sector, advertise online what space, goods, services and staff they are temporarily not using and are willing to share with other businesses. There is almost no limit to what can be hired, from cement



Peerby



Above
Uber

Right
Airbnb

mixers to commercial vehicles, meeting rooms to parking places and printing facilities to nothing short of an MRI scanner, a communications advisor or a designer. It is called 'asset sharing'. The initiators of *Floow2* are convinced that businesses can generate increased turnover via their platform whilst saving costs.

The best-known businesses targeting private individuals are undoubtedly *Uber* and *Airbnb*. The *Uber* taxi app connects people looking for transport to private drivers, allowing the latter to make better use of their vehicle and earn money from it. The digital *Airbnb* marketplace enables private individuals to rent out rooms to third parties. *Uber* and *Airbnb* are today worth billions. And that goes very much against the grain for the traditional market players. Professional taxi and hotel companies, for example, are heavily critical, claiming that they distort the market with unfair competition. They accuse *Uber* and *Airbnb* of pretending to be pioneers of the sharing economy, whilst their disruptive character, scale and structure means that in practice they are really commercial service platforms which abuse the original sharing principles for financial gain.

New economic reality

Debates such as these, which are going on across the world, show that the sharing economy is causing a major shake-up in traditional market thinking. It embodies a new economic reality, in which power is slowly but surely shifting from the supply side to the demand side and where access to goods and services is becoming more important than owning them. It is both an economic and a social model, based on collaboration on an equal footing among citizens and between citizens and businesses.

Most sharing initiatives operate on the principle of the 'resource-based economy', in which the economy and trading practices are driven by efficiency, sustainability and human need rather than by profit or endless growth. The sharing economy pokes its tongue at capitalism, with its overconsumption, waste of raw materials and frequent creation of artificial demand.

The sharing economy thus offers considerable added value for society. Sharing by people and businesses can save money. The different forms of shared

use lead to greater social cohesion and personal interaction. And the environment also benefits because fewer goods have to be produced.

The figures do not lie. In 2014, the Flemish sharing initiatives *Velt*, *Voed-selteams*, *Autopia*, *Taxistop*, *Netwerk Bewust Verbruiken* and *Bond Beter Leefmilieu* produced a joint memorandum on the sharing economy in Flanders to draw the attention of the Flemish government to the importance of this new economic model. The memorandum quantified a clear added value from the sharing economy. If one fifth of the underutilised homes in Flanders were to be shared with other occupants, this would remove the need for an additional 300,000 residential units by 2030. And if half the residents of a town engaged in car-sharing, this would lead to a fivefold reduction in the number of cars on the roads. While if everyone had their faulty appliances repaired in a Repair Café, the mountain of electronic waste would shrink by 70%.

Not surprisingly, therefore, businesses are increasingly heeding the message that they need to embrace the principles of the sharing economy rather than fighting them. Otherwise they will fall hopelessly behind and be in danger of being forced out of the market by new sharing initiatives. The sharing economy is penetrating all sectors of the market, and most traditional businesses are looking for ways to deal with the competition. For example, what strategy will the hospitality industry pursue in order to fend off competition from the likes of *Airbnb*, *Campr*, *Chef aan Huis* or *Thuisafgehaald*? And what about the Flemish and Dutch governments? Their slow, piecemeal development of an appropriate legislative framework for the sharing economy is in stark contrast to the speed with which sharing initiatives are impacting on the economic system. No figures are currently available for Flanders or the Netherlands, but according to American studies, the global turnover of the sharing economy was estimated at 26 billion dollars in 2013.

If even the European Union is actively supporting the sharing economy, the only conclusion can be that this is no longer a marginal activity reserved for thrifty citizens and economic adventurers.

Not a new phenomenon

The sharing economy, then, is blowing a breath of fresh air through our economic system. But it is not a new phenomenon. Borrowing, sharing and swapping have always been with us, and were especially common in the Low Countries in the pre-industrial period, when society was not yet organised by the market and the state.

In the Middle Ages, for example, there was the phenomenon of *naoberschap*, or 'neighbourliness'. When the Dutch regions of Drenthe, Twente and Achterhoek were predominantly populated by farmers, residents largely had to rely on each other, following the social norm of *noaberplicht* ('help thy neighbour'). Members of these close-knit communities not only shared the joys and sorrows of life, but also their time, material and knowledge. It was driven by pure need. This form of community help was a matter of survival, because they could not place any reliance on good public amenities in their villages. The agricultural regions of Flanders also have a long tradition of looking after and helping one another whenever possible.

These kinds of informal economic interaction fell out of use with the onset of the Industrial Revolution and the arrival of the nation-state. Henceforth, the market and the state regulated economic life. Giving, sharing and borrowing were confined to the personal sphere. People were still happy to water their neighbours' plants when they were away on holiday, but that was about it.

Today, these forgotten forms of interaction are back in favour and are in fact being used on a wider scale. In reality, today's sharing economy is a reintroduction of those old customs and market traditions, only now the success of sharing initiatives is hugely supported by digital technology. More on that later.

Legacy of the 1960s

When today's young people in Flanders and the Netherlands share cars, homes and goods for financial and ecological reasons, they are also paying homage to the 1960s and '70s. Several sharing initiatives can be traced back directly to experiments that began during these tumultuous decades, which changed society in Belgium and the Netherlands forever.

The social criticism that we hear today from proponents of the sharing economy is very reminiscent of the 1960s and '70s: society needs to change; we cannot carry on polluting the environment; overconsumption and the exhaustion of raw materials has to stop; we must once again strive for sustainability and form communities and move away from stifling hierarchical and bureaucratic systems. Not a week goes by without a campaign somewhere in Flanders or the Netherlands against the growth of capitalism at the expense of





Provo, 'White Bicycles'

people, work and the environment. Young people especially are less and less convinced by the mantra of eternal economic growth if it is no longer able to guarantee prosperity and well-being.

This discontent and note of warning about the way things are going were also very prominent in the 1960s and '70s. For the first time, there was a generation which had the (free) time to ask fundamental questions about whether society was moving in the right direction. Their political and ideological motivation was fired by the ideas for alternatives to capitalism formulated by thinkers such as Herbert Marcuse and Karl Polanyi. Those theories are being dusted off once again, but the actions of the proponents of the sharing economy are today driven more by pragmatism and rationalism than by principle.

That was not so in the 1960s. Social criticism led among other things to the formation of the *Provo* youth movement in the Netherlands in 1965. Inspired by the slogan 'Better long-haired than short-sighted', the Provos spread out from Amsterdam looking for alternatives to make life, living and working more pleasant.

Free love, ecology and the environment, emancipation, democratisation, artistic innovation, questioning authority and consumerism: the field of action of the Provos was a wide one. The movement subjected new social questions to scrutiny and often came up with innovative responses which they publicised through entertaining campaigns and in the form of 'White Plans'.

Long before it became a trend, the Provos embraced the principles of sharing, with calls for individual access to collective products and services. The bicycle and car sharing that we know today, for example, can be traced back to the 'White Bicycles' and 'White Cars' initiated by the Provos. More than half a century after its invention, the shared bicycle that can be used by everyone either free or for a small charge is now commonplace. There are today more

than 700,000 of them in more than 600 cities throughout the world, offering a viable and environmentally friendly alternative to inner-city transport. The Provos can also claim credit for the success story of car sharing, which is now common in many countries.

The Provo movement was thus far ahead of its time with the sharing economy. And that applies not just for mobility: as a means of combating housing shortage, today's 'co-housing' initiative for sharing homes is motivated by the same need as the Provo, squatter and commune self-housing movements of the 1960s and '70s, including in Flanders. In 1966, the youth movement published a 'White Housing Plan', exhorting anyone looking for somewhere to live to occupy empty dwellings, and the door posts of empty homes were painted white to indicate their accommodation potential to anyone without a roof. The Royal Palace on Amsterdam's Dam Square, which at the time stood empty, was hailed as the symbol of the housing shortage.

There was no powerful movement in Flanders comparable to the Dutch Provos to shake up public attitudes and repopularise the concept of sharing. It would be the 1970s before meaningful experiments took place there.

Digital technology makes the difference

Despite the shared belief that the economy and society need to be organised differently, today's sharing initiatives are by no means simply copies of the experiments from the 1960s.

According to Rogier De Langhe, a specialist in economics and philosophy at Ghent University, the present-day sharing economy differs fundamentally from its predecessor in the use of digital technology, with the Internet and digital natives – the generation who have grown up with modern technology and who use it intuitively. This factor was non-existent in the 1960s. The technology allows people to organise themselves easily, even at global level, facilitate sharing and lower costs. Without the Internet, initiatives such as *Airbnb* and *Uber* could never have become so popular so quickly with so many people.





Giving event

What is often forgotten in analyses of the sharing economy, De Langhe argues, is that digital natives are also a crisis generation. They reached the age of 18 in the year 2000, and almost immediately on reaching adulthood were confronted with 9/11 and what was widely regarded as the unjust war in Iraq. They have gone through many crises – financial, economic and institutional – since then.

‘Everyone has a sense that something isn’t right’, De Langhe argues. ‘We have a sort of Frankenstein feeling. We have created a system that we can no longer control. Not a single policymaker, economist or politician can give us confidence that things will turn out all right. Since the banking crisis, even senior bankers today admit that they have no idea which way things are going. It is logical then that citizens react with their own initiatives in which they no longer want to be dependent on governments and the business establishment.’

The context in the 1960s was not exactly the same. The 1960s generation experienced the biggest economic boom in our history; it is no coincidence that this decade is known as the Golden Sixties. Almost everyone was able to buy their own home and go on holiday. Saving energy and conserving space were not yet an issue. Taking action against the economic status quo was not a necessity, but more a matter of principle. Things are rather different today, with visible problems such as climate change, scarcity of raw materials, unemployment and economic crisis. More and more experts are acknowledging that we are today paying the price for the prosperity of the 1960s, marked by their unbridled production and consumption.

The sharing economy is an attempt to come up with a sustainable alternative, so that we do not make the same mistakes again. ■