



## Inequality and the Sharing Economy

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Sharing Cities Summit Barcelona

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# disrupting inequality?

Do sharing  
platforms  
reduce  
inequality by  
providing  
income to less  
privileged  
residents  
via new  
technologies  
that have low  
barriers to entry  
and open  
access?

## **New Yorkers agree: Airbnb is great for New York City**

*Airbnb provides supplemental income for tens of thousands of New Yorkers. It also helps the local businesses in our neighborhoods and strengthens our communities. Airbnb is great for NYC.*



**airbnb nyc**

Join the movement. Visit [AirbnbNYC.com](https://airbnbNYC.com)

182-025



# reproducing inequality?

Or do platforms intensify racial and class inequalities by expanding opportunities for already privileged residents?

THE SHARED ECONOMY  
IS A LIE  
~~Joan Rivers was a BIGOT~~ →  
No they don't

**New Yorkers agree:  
~~Airbnb is great  
for New York City~~**

Airbnb provides supplemental income for tens of thousands of New Yorkers. It also helps the local businesses in our neighborhoods and strengthens our communities. Airbnb is great for NYC.

 **airbnb**nyc

Join the movement. Visit [AirbnbNYC.com](https://airbnbNYC.com)

322-055

# MacArthur Project: Connected Consumption & Connected Economy 2011-18

<https://tinyurl.com/macschor>



Will Attwood-Charles



Bobby Wengronowitz



Luka Carfagna



Connor Fitzmaurice



Isak Ladegaard



Samantha Eddy



Mehmet Cansoy





Time Trade Circle

**THE TIMEBANK**



# THE FOOD SWAP

Cheese  
FOR FRYING  
& GRILLING  
VEG-

Haloumi -  
grilling + frying cheese  
za'atar (thyme, sumac  
+ SESAME SEEDS)

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

Haloumi -  
(grilling +  
frying cheese)

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

Haloumi -  
grilling +  
frying cheese

HOME MADE  
CHEESE  
milk of cows/goat's milk



Haloumi -  
grilling +  
frying cheese

## VEGETARIAN

Name:  
Item: Cheese!  
Haloumi - grilling  
+ frying cheese

(1) NAME & SWAP:  
Bethany  
Beer Sea sub - almond milk

(2) NAME & SWAP:  
Bethany  
Bacon - turkey

(3) NAME & SWAP:  
Bethany  
Bacon - turkey



# THE MAKERSPACE







airbnb



TURO







**taskrabbit**

*Life is busy. We can help.*



# Open Access Education



SKILLSHARE





**POSTMATES**





**FAVOR**







SUSTAINABLE  
STOCK

*Stocksy*

UNITED

*Photography*



# Four Findings on Inequality

Racial discrimination on lodging platforms

Unequal experiences on "gig" labor platforms

Opportunity hoarding on all types of platforms

Cultural capital inequalities on community non-profits

In a census tract  
where residents are  
100%

## White

In models without age,  
housing value,  
homeownership,  
income, income  
distribution, education

Predicted number of listings

12

Predicted Nightly Price

\$217

Predicted Annual Revenue

\$1203

Predicted number of listings

8

Predicted Nightly Price

\$145

Predicted Annual Revenue

\$880

In a census tract  
where residents are  
100%

## non-White

In models without age,  
housing value,  
homeownership,  
income, income  
distribution, education



# Our Airbnb research also finds

Public reputation systems do not eliminate racial preferences (as hypothesized), but reproduce them

“rent gap” is large and contributing to gentrification across major cities (x3, cities at different stages in the process)

Insider/outsider conflicts structure lodging inequalities

# Gig labor experiences structured by inequality of situation: platform dependence

**Platform workforces are highly diverse. Most work few hours; a minority are full time.**

**Dependent:** wholly or primarily dependent on the platform for their livelihood; rely on earnings to pay for monthly expenses; roughly equivalent to full-time workers)

**Partially-dependent:** rely somewhat on partially on platform earnings, but either work on multiple platforms or have part-time jobs, small businesses or other sources of income.

**Supplemental:** platform earnings are not part of their regular income source, and are considered extra, or supplemental. Many have full-time employment or activity (i.e., schooling).



# Inequalities among "providers" findings from seven for-profits

Outcomes	Earnings are supplemental	Earnings used for living expenses
Satisfaction	High	Mixed/low
Autonomy	High	Limited
Wages	Can be selective to earn highest wages	Must accept all/most trades/wages lower

# Assessing precarity and poverty

Case	Is platform activity a response to precarity?	Do platform earnings mitigate precarity?
Airbnb	Generally not	Yes
TaskRabbit	Generally not	Not for dependent earners
Uber/Lyft/Postmates/Favor	Mixed	Not for dependent earners/ poverty incomes common



# The Platform Hierarchy

capital v labor income  
wages  
job control  
race and socio-  
economic class of  
provider



**POSTMATES**

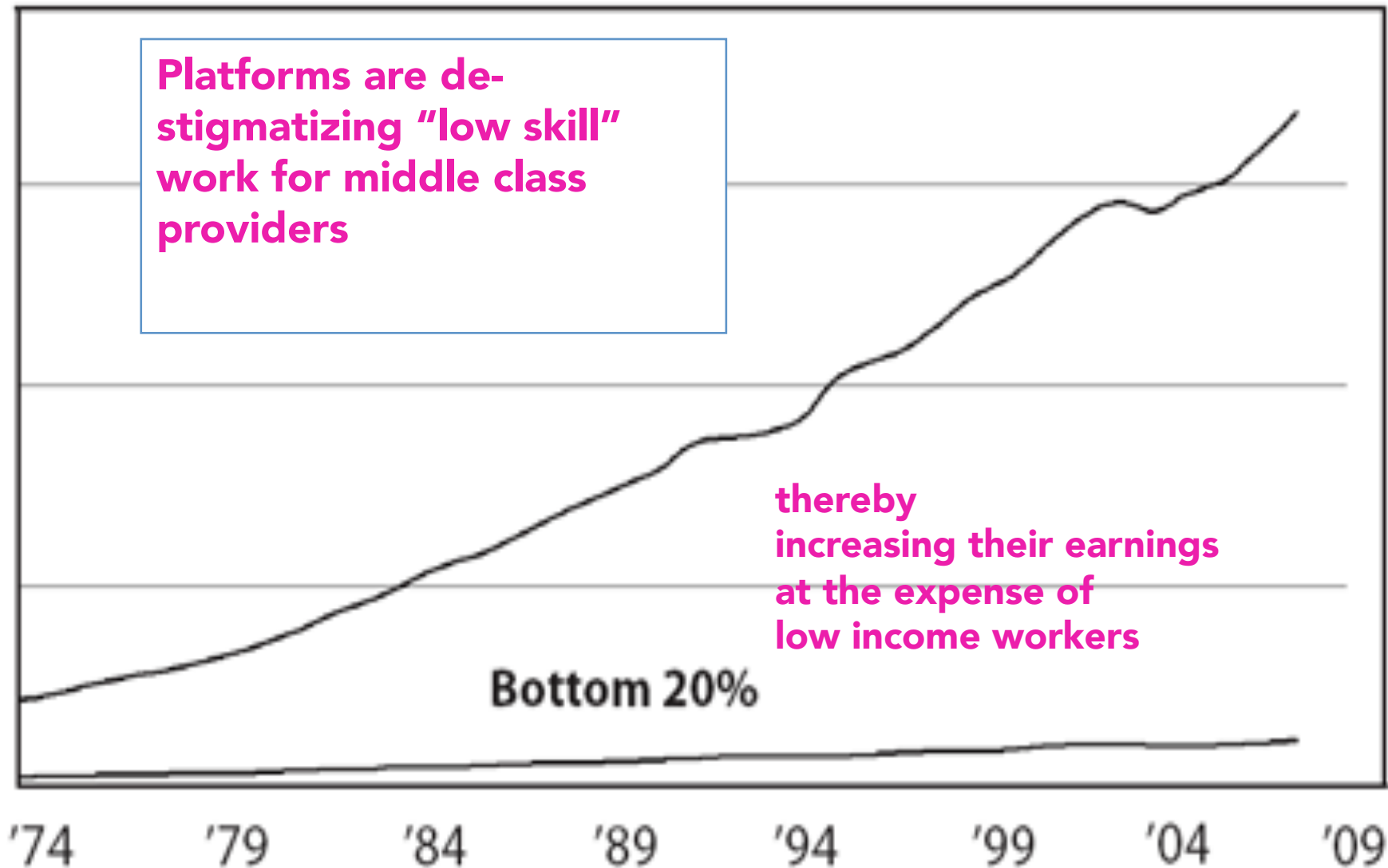


# Income Inequality

Mean household income: top 20% and bottom 20%

Opportunity  
Hoarding

Platforms  
Increase  
Income  
Inequality





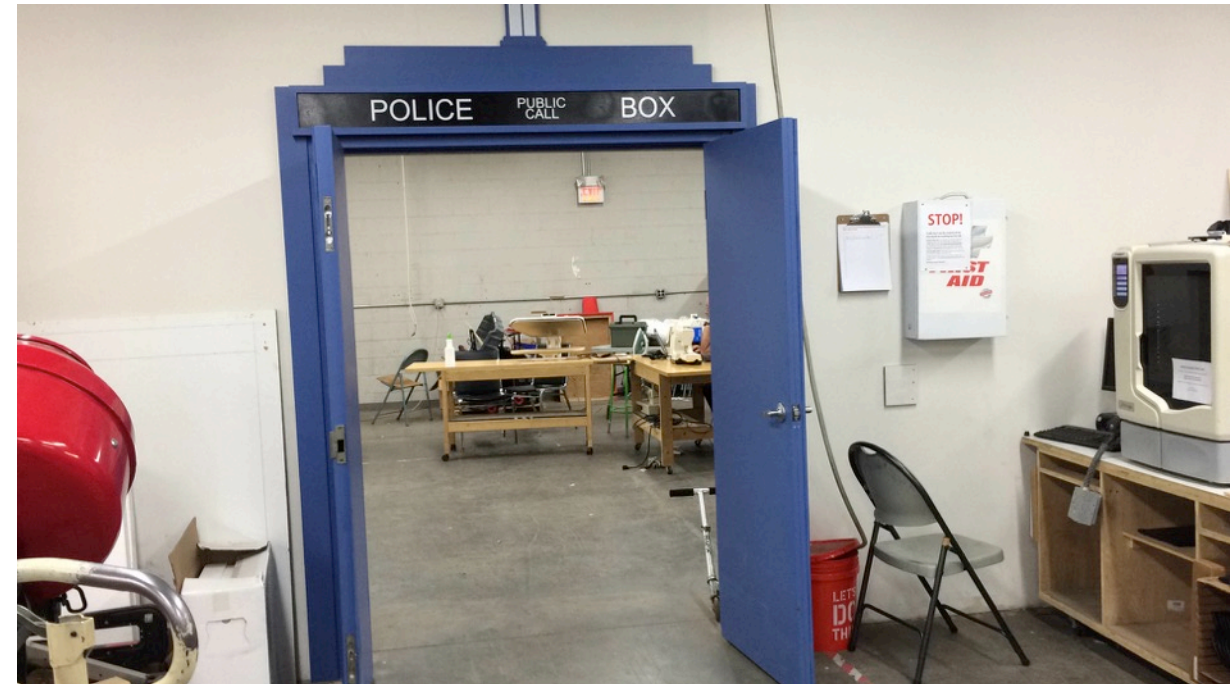
# Dynamics of inequality in community non-profits

Markets hard to establish across class

Failure of foodswap; small trading volume at timebank

Exclusionary behaviors by gender, race and class

Two-tier system makerspace



# Can cities reduce unequal outcomes?

remove photos from listings

increase renters' rights to on lodging platforms

require platforms to follow non-discrimination laws

enforce minimum wage laws and employment protections

use diversity incentives for community non-profits/where state supported create diversity guidelines



In a census tract  
where residents are  
100%

**White**

In models with age,  
housing value,  
homeownership,  
income, income  
distribution, education

Predicted number of listings

**7**

Predicted Nightly Price

**\$187**

Predicted Annual Revenue

**\$1168**

Predicted number of listings

**10**

Predicted Nightly Price

**\$174**

Predicted Annual Revenue

**\$919**

In a census tract  
where residents are  
100%

**non-White**

In models with age,  
housing value,  
homeownership,  
income, income  
distribution, education