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The Sharing Economy: Exploring the Intersection of Collaborative Consumption and Capitalism

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Introduction

Why The Sharing Economy?

This project began when I looked around my home city of Seattle and noticed that there were cars with pink moustaches on them. Seattle is a rather alternative city so I thought this car décor was a new hipster fashion trend sweeping the metropolis. After reading an article in the newspaper, I started to learn about ridesharing services and Lyft in particular. The same week I first heard about ridesharing, I received an email from Peers, the group I will discuss extensively in chapter one, asking me to become a founding member to support the sharing economy.

After preliminary reading trying to figure out what the sharing economy was, I discovered that I had stumbled into a complicated subject that could not be explained by a quick and easy answer. I was confused because Lyft, a ridesharing company that turns a profit for every ride given, was identifying itself under the same category as Peers, an organization that does not ask anything besides an open mind and active participation. How could these two companies possibly fit under the same, rather undefined category of the sharing economy?

That was the other dilemma; everywhere I researched people seemed to have a different idea of what the sharing economy actually was. How does Collaborative Consumption fit in? Rachel Botsman and Roo Rodgers (2010) attempt to answer this questions in their book *What's Mine is Yours*, but I ended up more confused when in online articles these same authors define terms in completely different ways. This thesis asks, in what ways do people (both company employees and consumers) participate in the sharing economy and how do people make sense of, promote, and also challenge the idea of what an economy is and the meaning of "sharing"?

Framework

I show how the current American sharing economy emerged in the context of heightened criticism against the brutal forces of the capitalist economy as a sustainable and practical 'alternative' economy. I analyze current discourse on the sharing economy, how sharing has operated both in other cultures and in theoretical contexts, and company and customer motivations. I argue that the social values of friendship and community enable and also unsettle the sharing economy's position as an 'alternative' economy. This means that sharing economy companies are occupying a complex position that falls between an alternative economy and a capitalist economy. Sharing economy customers are motivated to use the companies precisely because they embody this gray area, which is important because it illuminates issues, critiques, and a new form of consumerism associated with the sharing economy model and the use of 'alternative economy' ideas in capitalist America.

Chapter one puts the sharing economy in place and time, and presents the two companies, Peers and Lyft, that I will discuss throught the thesis. I analyze terms associated with the sharing economy in depth and I highlight the complexities that arise from not having a shared definition of these terms. I conclude this chapter by showing current critique on the sharing economy, which touches on how it is intertwined with capitalism. It is important to note that when my research began in September of 2013, Lyft had different policies and procedures that dictated how the company functioned; and therefore subtly changed how capitalist or 'alternative' Lyft was as a company. While I will discuss how Lyft and other sharing economy companies are moving towards a capitalist model of business while sharing economy ideals seem to remain the same, by the time this thesis goes to print more shifts will inevitable have happened in the fast-changing economic environment. For this reason, I will keep the critique on Lyft brief, and focus on addressing the sharing economy as a whole, rather than analyzing how many individual companies interact with sharing economy ideas and capitalism.

The second chapter uses anthropological theory to explore my questions: how are ideas of sharing and collaboration combined with profit seeking? What is an economy and how does the sharing economy fit into this puzzle of collaboration and capitalism? I analyze two classical economic theorists, Marcel Mauss and Adam Smith. Their ideas tie into Bronislaw Malinowski's study of Kula trade and the formalist and substantivist debate, which has persisted since around 1950. All these things combine major economic theories with ideas about human nature and motivation. This chapter unpacks the complex relationships between conceptions and definitions of 'sharing' and 'economy'. I will explore different ideas of sharing and economy to illuminate how these ideologies are used in conjunction to motivate consumerism within the sharing economy economic model. I argue that the sharing economy is practicing the American market economy in an innovative way based on the fusion of 'sharing' and market economy ideologies.

The third and final chapter answers the questions of why companies and consumers participate in the sharing economy; Lyft and Carsurfing in particular. I argue that Collaborative Consumption ideas are used in marketing to motivate people to use sharing economy companies while capitalist motives are left unacknowledged. Through ethnography I show how Collaborative Consumption ideas unite consumers who then participate in the sharing economy because it is 'more convenient', thus creating a new form of consumerism.

Why Lyft and Peers?

This brings me to discussing why I use Lyft and Peers as examples rather than other sharing economy companies. These two companies were the most prominent sharing economy organizations on the Internet when my research began and also were the two organizations that stimulated my critique and questioning of the sharing economy. Peers has been beneficial because of their strong online presence and their firm pro-sharing economy stance. Their organized meet-ups; first the potluck dinner in October 2013 and then the clothing swap in February 2014, opened the door for me to find interlocutors. Choosing Lyft fell into place because many people I met at the Peers get-togethers were Lyft users and drivers. The people I met were incredibly kind and welcoming of my inquiries and desire to interview them about their place in the sharing economy. When my research began in September, 2013 Lyft had a strong following and was showing up in the news frequently. The Lyft blog was also under way at this time and has proved to be a helpful source in supplementing my interviews.

Methods

Through participant observation I was able to take many Lyft rides and attend the two Peers meet-ups. I conducted interviews, both over the phone and in person, with Lyft drivers, Lyft users, community garden organizers, Taskrabbit users, Peers hosts, the CEO of Carsurfing, and many individuals who identify as active participants in the sharing economy. Interviews lasted anywhere from fifteen minutes to an hour with the average length being 42 minutes. My interviewees are from all over the United States, but my Lyft and Peers interlocutors are from either the Seattle area or Los Angeles County. One of my Lyft interlocutors was my Lyft driver one afternoon, and this person connected me to other Lyft drivers and users. Peers created Facebook groups for Seattle and Los Angeles. I requested to become a member and once I was included I posted a message asking people to volunteer their time for an interview. This method was quite successful and was how I met my interlocutors Freddie, Jessica, and John. I include five interviews in chapter three when analyzing company and consumer motives in the sharing economy.

The book *What's Mine is Yours* by Rachel Botsman and Roo Rodgers (2010) provided extensive groundwork and contextualization of pro-sharing economy ideas. The Lyft blog, (blog.lyft.com) was useful for examining the company's identity, current events, and marketing techniques. The vignettes of my personal experience are from countries in Western and Eastern Europe, but my research is centered on analyzing the sharing economy within the United States.

Personal Opinion and Study Limitations

I have tried to stay as neutral as possible with my opinion on the matters of ridesharing and the sharing economy. However I am part of the cohort that most uses the sharing economy and therefore am at great risk for 'going native' or getting too close to the topic at hand, which some argue makes anthropological scholarship untrustworthy or irrelevant. I do not have an outsider's perspective because I am part of the cohort that is active in the sharing economy. My hands-on experience with companies that promote Collaborative Consumption before I began this project was an immeasurable asset. I have been able to delve deeper into the topic and stretch my ideas further because I began with a preliminary base of knowledge. My struggles with removing myself from the research and looking at the ideas with a critical and scholarly mind, rather than analyzing them as an internal organism that operates within the sharing economy, has increased the strength of my thesis because I have been on both sides of the fence.

The sharing economy is an incredibly hot topic in the news and on the Internet. This has been both beneficial and challenging. Multiple new articles are published everyday about sharing economy companies and about the sharing economy as a whole. With each of these new articles are blogs full of dissenting opinions and forums pulsating with new statistics. With the overflow of new information that I woke up to everyday while writing this thesis, I had to wisely pick and choose which sources I would use to best represent my argument and ideas. It was beneficial to have many sources to choose from, but a challenge to stay up to date with my topic without getting sidetracked from my main ideas.

I believe that sharing economy organizations should not be taken at face value. They are more than what they advertise themselves to be, and the public needs to realize this. The sharing economy has the potential to mainstream temp jobs, which would be incredibly detrimental and regressive to both the economy and the American public. The sharing economy is a valuable asset to America's capitalist economy, but it would destroy our economic climate even further if it were installed as the primary means of transaction and exchange. Proving this point would require me to have a PhD, but I bring it up here to allow the reader insight to possible biases that may arise in this work. My opinion is not formed on a whim. Rather, it has resulted from the last 8 months of research where I have read articles, blogs, theoretical works, op-ed pieces, company websites, and discussed the matter with many friends, professors, and interlocutors. Without further ado, let us turn to the contextualization of the sharing economy, the cogs that make it function, and the current critique on the economic model.

Chapter 1: The Sharing Economy

This chapter will define major terms associated with the sharing economy and Collaborative Consumption and contextualize my analysis of this peer-to-peer economic phenomenon in time and place. By defining these terms and looking at how the sharing economy thought leader Rachel Botsman sees this movement working in America, I will argue that there is a disconnect between the ideal operation of Collaborative Consumption, which involves equality of resources for all, and how companies are using these sharing ideas for the capitalist goal of economic gain.

I will present the company Lyft, a self-identified member of the sharing economy, while also discussing the organization Peers. Peers is an online platform that was founded to bring like-minded people together in support of the sharing economy. By looking at these two organizations I aim to emphasize how complicated it is to concretely define the sharing economy, which begs the question that will be explored in chapter two; how can we define and understand the sharing economy in America's current economic climate?

This chapter concludes by presenting the current critique of the sharing economy movement with my own qualms woven in. It is important to examine the current discourse surrounding the sharing economy because this economic phenomenon seems straightforward at first, but it embodies a complex space in America's economy. First, let us look at an overview of the terms and companies used in this thesis; then turn to a personal story where resources were shared without the use of commercialization. This example exposes an interaction that many sharing economy organizations are trying to stimulate through technology.

Sharing Economy: Terms and Companies

Despite the fogginess and disagreements of the meaning of the sharing economy and words associated with it, to write academically about the subject one must have working definitions. Chapter one relies heavily on sharing economy terminology so I open this chapter with an overview of the terms and companies I will discuss in depth.

The sharing economy is an economic model that has massified and commoditized ideas of collaboration and sharing to redistribute underutilized assets. Collaborative Consumption is a mechanism that places emphasis on one's access to resources rather than ownership and carries its own ideology or set of ideas. When I use the phrase 'Collaborative Consumption ideas' I mean a set of broader ideas that embody qualities and practices such as sharing, community, togetherness, helping others, taking only what you need, and kindness. Many of my interlocutors refer to Collaborative Consumption ideas as 'hippie ideas' or 'alternative ideas'. While there are many different approaches to thinking about Collaborative Consumption, I mainly discuss the ideas of Rachel Botsman and Roo Rodgers (2010) in chapter one. The sharing economy strives to incorporate

Collaborative Consumption in capitalist America; exactly how and why it does this is explored in chapters two and three. The two-sided market is what facilitates the sharing economy and is where two people join together through a third party to complete an exchange. In the case of the sharing economy, the third party is technology such as an application on a smartphone or a website. For example, with the ridesharing service Lyft, the two-sided market involves the driver, the passenger, and the mobile Lyft phone application. The phone application is the third-party facilitator because it connects the passenger to the driver for the rideshare to take place. People use the two-sided market to partake in peer-to-peer consumption, which is the actual exchange of personal goods or services that happens within the sharing economy among individuals.

Although I mainly discuss the organizations Lyft and Peers in my research, a few other sharing economy companies come up. Uber is another ridesharing service that like Lyft, one accesses through a smartphone. Ridesharing loyalists could argue for pages about the similarities and differences between Lyft and Uber and which one is better. However, for our purposes it is only important to know that Lyft and Uber are both ridesharing services accessed through a smartphone app. Carsurfing is the third ridesharing service that I will discuss. Right now Carsurfing connects people who are attending the same large-scale events, like concerts or festivals, and creates carpools. However, Carsurfing hopes to become a social ridesharing service that connects drivers and riders who have similar interests. The fees for this service depend on location and time of the event.

I discuss two hospitality organizations: Couchsurfing and Airbnb. Couchsurfing is a company that allows users to create an online profile; similar to Facebook. Through Couchsurfing, one can either become a host to travellers who need a place to stay, or a traveller can reach out to hosts and ask to stay with them. It does not cost money to use Couchsurfing and people use this service to have a more personal, less commercialized interaction with the destination they are traveling to. Airbnb is a similar organization that operates through online profiles. With this organization participants do have to pay their hosts, but it is often cheaper than a hotel. One can also find apartment listings for extended stays on Airbnb. The main differences between Couchsurfing and Airbnb are that Couchsuring is free and the host acts as more of a friend and tour guide, while Airbnb costs money and the hosts are generally removed from their guests. Finally, Taskrabbit is an online platform that employs 'micro-entrepreneurs' who are people ready to do errands. Simply put, a person logs onto Taskrabbit and describes the errand they need done, the timeframe it needs to be completed in, and the price range they are willing to pay. Then a 'micro-entrepreneur' can see the task and decide to do it or not for somewhere in the range of the listed payment. With these terms and companies in mind, let us examine and contextualize them on a deeper level. First, here is an example of the sharing economy operating without the use of the two-sided market.

Sarajevo

After having spent the last ten hours on a stop-and-go train from Zagreb, Croatia to Sarajevo, Bosnia and Herzegovina I was startled to have broken English yelled in my face by a short, elderly man. Mickey, who I would soon become friends with, had a small picture book in his hands of his house and all the spaces he was ready to share with me for the small price of 10 Euro a night. Perhaps I was still delusional from the long train ride and lack of sleep, or maybe I was enticed by what seemed to be a great adventure ahead, but I said, "Sure, I will see your home and meet your family and then decide if I will stay there." This was the summer of 2012 and if my parents knew that their 20 year-old daughter was getting into a barely functioning car with an elderly Bosnian man they would have had a heart attack. I have been taught, like many other Americans, that getting into an unfamiliar person's car is one of the most dangerous things one can do. However after a short conversation at the train station, I had decided that Mickey was trustworthy and I should give him a chance. Getting into Mickey's car was unlike using the public transportation that I had been taking for granted because he was not a taxi driver employed by Yellow Cab; a company I trusted. Mickey was a lone entity, and trust was established solely through our interactions.

Mickey drove me around Sarajevo and showed me how the city at first glance looked scarred by war, desolate, and even depressing, but when you look closer you see that the people are alive and happy. When we arrived at

Mickey's house, the first to greet me was the stray dog that lived outside the house and ate the family's leftovers. Soon to follow were Mickey's wife and daughter and two sons who ran up to me and asked to take my backpack and my shoes and if they could get a bath ready for me and cook me a meal. I have never felt more welcomed in my life. Mickey said, "Miss Ellyn, I make you a bed and you can sleep and I make you food so you can eat and I make you coffee so you can see city. You meet the other travellers here. We have three France people in my house now. And you our one American!" After meeting all the people who were sharing Mickey's house and his space I realized I had just accidentally Couchsurfed, but without the use of the Internet. Couchsurfing is an online social platform that is part of the sharing economy. This service allows travelers and hosts to connect with each other via the web. Travellers can request to stay at a host's place and both parties can communicate before the visit to establish trust. With Couchsurfing there is no monetary transaction. For the situation in Sarajevo, I had a face-to-face interaction at the train station, which instilled a sense of trust, and further trust was established once Mickey and I conversed and I learned more about him and his family. Furthermore, like reading the reviews on Couchsurfing, talking to the other travellers and hearing how wonderful Mickey was at cooking and how everything was very clean made me want to stay at the house and even extend my trip. When I left Mickey's I moved onto Mostar, a city in Southern Bosnia and Herzegovina where Mickey happened to have a friend. He called that friend for me and the moment I got off the train an older woman was calling my name. Without knowing it I had stepped into a social network of hospitality without using the Internet.

The amount of money I paid over my four-day stint in Sarajevo paled in comparison to my experience. Mickey cooked for me, told me the best museums to go to, where all the locals ate, and what parts of the city I should avoid at night. While I may have been able to learn all this from a guidebook, I felt more connected to the city and to my experience when I talked to Mickey. He also happened to have extensive knowledge about the history of the city and told me about his experience with the war that ended about 18 years before I arrived. Mickey's daughter was named Natalie and she and I bonded over the fact that our favorite actress, Angelina Jolie, had been to Sarajevo the year before and Natalie got a picture with her. Both Natalie and Mickey's personal narratives about the city and his relationship with it are something I will treasure forever, and I discovered that when I travel I am not just looking to get from place to place and simply see the sights.

I, like many others, am looking for connections, communications, emotions, and to forge relationships through learning and experiencing. Later in this chapter I define these motivations as part of the ideology of Collaborative Consumption. For now, it is only important to know that these motivations are recognized and used by many sharing economy companies and combined with capitalist ideologies and business models in order to turn a profit.

How is the Sharing Economy New?

One cannot discuss the sharing economy without acknowledging the economic crisis that unfolded in 2008 and greatly affected the United States. When the economy crashed and left America's wealth disparity looking eerily reminiscent of the country around the time of the Great Depression, many Americans began to question capitalism (Maurer, 2012, p.454). Three years later in the autumn of 2011, the Occupy movement began where citizens began reclaiming civic and private spaces to speak out against the troubled economic climate. Occupy protesters were criticized for not having any solutions to the problems they were protesting, and in fact, protesters themselves were frustrated by the lack of plausible economic alternatives. Was America supposed to abandon capitalism, and if so, what would be the replacement? (Maurer, 2012, p. 455). Turning to anti-federalism, described by Bill Maurer (2012) as, "a tendency that has alternately fostered progressive change and white supremacy [and] the drive against central authority"(p. 455) could be an option. However Maurer also points out that actions and theories in motion never play out as their designers intended or as one imagines they might (Maurer, 2012, p. 454). This seemingly provides a static situation; one does not want to continue on with capitalism but is left with no plausible alternative. Thinking in these black and white terms forces one to ignore the fact that Occupy protesters were not wasting their efforts. The Occupy movement stirred up much conversation and research about the economic and social climate of America and no, it never reached a concrete solution. Nonetheless, this is what one must do when analyzing the sharing economy; occupy the conversation, “rather than arrive at a final answer, or [attempt] to force one unified perspective on things”(Mueller, 2012, p. 459). This thesis does not aim to argue whether the sharing economy will solve America’s economic afflictions, but it occupies the topic of the sharing economy and explores how it interacts with the current American economic climate from a company, consumer, and theoretical standpoint.

Authors of *Economic Anthropology* Chris Hann and Keith Hart (2012) point out that, “there is confusion over economy because people’s experiences of it belie the idea that it is any one thing or one process or set of processes”(p. 459). The word ‘economy’ is insufficient in portraying the complexities of economic activity and that there are multiple types of economies. For example, the Kula trade involves extensive travel over treacherous oceans to exchange bracelets and necklaces with other islanders. When Western missionaries first saw the Kula trade they thought the Trobriand Islanders were acting in a ridiculous manner. However, when anthropologist Bronislaw Malinowski lived among the Trobriand Islanders and learned about the Kula trade he was able to gain insight. The Kula trade happens for three main reasons: it establishes and enhances peaceful and friendly relationships among different islands, it provides an occasion for the exchange of utilitarian goods, and it reinforces status and positions of authority (Malinowski, 1922). In chapter two I analyze the Kula trade in greater depth, but for now one must realize that the word ‘economy’ defines much more than just one kind of exchange. There is gift exchange, monetary exchange, and many other kinds of exchange that take place in different economies in a variety of cultural contexts; and it is easy to find economies that utilize more than one method of exchange.

Christmas season in America is a busy time for the retail industry. The month of December is filled with people purchasing commodities for loved ones. These commodities are purchased through an impersonal transaction; which is the exchange of money for an object. Then once the gift is purchased it carries a small part of the purchaser's identity because they put their time and effort into choosing an object that the receiver will appreciate. In his article, *The Rituals of Christmas Giving,* James Carrier (1993) notes that gifts have a duality, "on the one hand, it is a commodity purchased for money in an impersonal transaction, and on the other it is a gift given to express affection in a personal relationship"(p. 55). When a gift is purchased it is an impersonal commodity, and when it is given it also embodies an expression of affection and other personal social values (Carrier, 1993, p. 55). The sharing economy is new because it incorporates ideas of exchange and social values that have been identified in both the Kula trade and in the ritual of Christmas giving, and fosters these transactions through the use of new technologies.

When I first heard about the sharing economy, I did not understand what made it different. Economic anthropologists are fascinated by how people transact resources and, perhaps more importantly, why people choose to exchange resources in particular ways. Are people primarily motivated by customs within their cultures? For example, do people participate in market exchange because their culture supports exchange through markets? Or are individuals motivated to partake in certain forms of exchange over another because of their own human nature, self-interest and rational thinking? These questions are complicated to the point that there was a great debate in the 1950's between those who believed the primary influence was culture, and those who believed human nature was the greater authority. I shall conduct an in-depth discussion of these theories and the debate, known as the formalist-substantivist debate, in chapter two.

I discuss the idea of the American sharing economy as outlined by Rachel Botsman and Roo Rodgers in their book *What's Mine is Yours* (2010) and as discussed in a Ted Talk given by Rachel Botsman (2010). While I provide my own definitions for the sharing economy and other terms involved that apply to my thesis, note that the terms deal with complex ideas that are ever changing in a fast paced environment.

Sharing has been incorporated in economies in many forms both historically and culturally, and now, technology is what separates the sharing economy from other forms of sharing. Smartphones and computers have reinstalled the sharing of resources and services on a large scale in the United States. Before discussing the new massification of sharing that is being called the sharing economy, let us look at what the Collaborative

Consumption activist and thought leaders Botsman and Rodgers (2010) call "hyper-consumption" (p. 20).

The famous economist and sociologist Thorstein Veblen coined the term "conspicuous consumption" in 1899 (Botsman & Rodgers, 2010, p. 20). This term is used to describe a class of people that arose in the 19th century who displayed their wealth by purchasing many expensive things. The lavish spending set conspicuous consumers apart from the masses and by appearances, they looked like part of the elite upper class (Botsman & Rodgers, 2010, p. 20). While Veblen emphasizes how consuming certain items in a particular way can change the way one is perceived in society, what is most pertinent for my thesis is the excessive consumption. In post World War II America, the economy was improving and men were returning from war with government money. For many, the American Dream meant owning a nice house in a suburb and being able to purchase all the things a family could want. The emphasis that was placed on ownership was overwhelming and was encouraged by the ability to buy things on credit so one could pay for them later (Botsman & Rodgers, 2010, p. 27). Televisions became incredibly popular in households and the stream of advertisements fed the idea that one 'had to have more to be happy'. Today, there are more shopping malls than high schools in the United States (Botsman & Rodgers, 2010, p. 20). These factors add to the endless acquisition and accumulation of stuff: a phenomenon Botsman calls "hyper consumption" (Botsman & Rodgers, 2010, p. 20).

There has been a resurgence in the notion of sharing because peer-to-peer consumption places emphasis on one's access to resources rather than ownership. The sharing economy is attempting to use Collaborative Consumption to be the economic backlash to hyper consumption. The fundamentally new aspect now is that technology is being used as the platform for enabling consumption among peers. The intersection of technology and sharing is beginning a revolution in the way we consume and it is called the two-sided marketplace. This concept is discussed later in this chapter and is important because it highlights the infusion of the sharing of resources and the use of new technologies. The person-to-person interactions seen in gift exchange and Kula trade and the cultural and social meanings they carry are relevant now more than ever because of the massive scale and speed with which the sharing economy is pervading society. Understanding Generation Y and the generalizations researchers are making about their personalities and their use of technology is key to fully comprehending the sharing economy and how this economic model has become prevalent.

Generation Y

In order to look closely at the Sharing Economy, one must understand the people who are both creating and participating in Collaborative Consumption. These people are mainly part of Generation Y; a generation that is growing up quickly and loudly. Gen Y, or the Millennials, terms coined by generational researchers William Strauss and Neil Howe (1991), were born in the early 1980's to the early 2000's; into a world of clunky computers and giant cell phones. Then, as these children grew up, so did the technology. Dial-up modems disappeared, special bags for cell phones were no longer sold because who needs a special bag for a compact and sleek flip-phone or iPhone? As this generation developed, more and more technology seeped seamlessly into their lives and now it is rare for an American in Gen Y to not own a cell phone, let alone a Smartphone; or to not have working knowledge of computers and the Internet.

This generation, like others before it, has distinct characteristics, according to Strauss and Howe. They believe that over time, qualities from past generations repeat in present generations. Strauss and Howe declare that the Millennials will be more like the G.I. generation in their civil mindedness and a strong sense of community both locally and globally (Strauss & Howe, 1991). While there are some harsh critics of Strauss and Howe, there is real-life evidence to support their claim. On November 6th, 2013 there was a worldwide protest called the Million Mask March. Protesters came together wearing Guy Fawks masks in 477 locations in more than 150 countries. The vast majority of the protesters were part of Generation Y and in Cape Town, South Africa many participants held signs that read 'My Generation Will Change the World'. What cause was strong enough to get so many young people together on this global scale? There are three main things: first, people want an end to the monetary system in favor of a Resource Based Economy (where goods are exchanged for other goods without the use of money), secondly, an end to repressive democracy in favor of direct democracy, and finally, the replacement of corporations with democratic, cooperative forms of dividing labor (Scriptonite Daily, 2013). Two of these ideas are indicative to the sharing economy and are therefore further proof that not only is Generation Y lively and not going away soon, but they are trying to make true changes.

The History of eBay and Craigslist: What is the Two-Sided Market?

With the idea of sharing in mind, let us now discuss the term two-sided market and it's relationship to eBay and Craigslist. It is vital to be familiar with these two companies to understand the sharing economy because these are the first two-sided marketplaces that act as predecessors to the sharing economy we have today.

Craigslist was not the first online platform for the sharing of resources, but it is one of the first to be utilized and popularized by the masses. Founder Craig Newmark had noticed people interacting in communal ways on the internet from websites such as WELL, MindVox, and Usenet, and decided to create a similar online platform for local events (Boulton, 2013). As many of us know, Craigslist is a website devoted to classified advertisements devoted to personals, housing, jobs, gigs, resumes, for sale, items wanted, services, and discussion forums, but it started out as a small email list by Newmark who had just moved to San Francisco. As a newcomer to the city, he wanted an easy way to trade information about events so he started the mailing list between his friends in 1995. By 1996 the email list had taken on a life of its own and Craig's friends, who were mostly employed as software developers, were using the online connection for all sorts of sharing purposes. Through word of mouth, the number of subscribers and postings grew rapidly. Newmark decided not to moderate this growth and to let the forum take on a life of its own. By 1998, Newmark quit his job as a java programmer and Craigslist became his full time occupation. By the year 2000 he had nine other employees working for him and the website expanded to nine more cities in the United States. By 2003, 22 more cities began using Craigslist and in 2004 it went international. As of 2012, Craigslist is used in over 700 cities and 70 countries and acquires over 20 billion page views per month. Craigslist is ranked in 37th place overall among websites in the world. It is also the leading classified service in any medium with over 80 million new classifieds each month (Boulton, 2013).

Pierre Omidyar founded EBay in 1995 and up until 1997 it operated under the name AuctionWeb (Mullen, 2009). EBay is a site that allows for peer-to-peer consumption of goods and services. The first thing to sell on the site was a broken laser pointer for $14.83. Shocked, Omidyar contacted the buyer to make sure he knew what he had purchased, and the buyer responded by saying he indeed knew what he was purchasing because he was a collector of broken laser pointers (Mullen, 2009). .

Omidyar's site began gaining so much popularity that his internet provider told him he had to upgrade to a business account in order to accommodate the heavy internet traffic. This turned eBay from a hobby into a career because Omidyar began charging eBay users, which surprisingly did not turn them away. Then eBay's first employee was hired to manage all of the incoming checks and in 1996 eBay made another huge leap in popularity by entering into a third-party deal that allowed the retail of plane tickets. The growth curve was exemplary; in 1996 there were a total of 250,000 auctions and in January of 1997 there were 2,000,000 auctions. By March of 1998 the company had 30 employees and half a million users and by 2008 the company had expanded worldwide and acquired hundreds of millions of registered users (Mullen, 2009).

EBay and Craigslist are examples of companies that operate as two-sided markets. This is where two people join together through a third party to accomplish a task. For example, one person needs to sell their lawnmower so they turn to the third party website eBay and post the listing. The second person needs to purchase a lawnmower so they also turn to the third party website eBay where they find the lawnmower and purchase it. A peer-to-peer model of consumption is performed because in this two-sided market both the seller and customer get what they want directly from each other with the help of eBay as the third party. Ebay and Craigslist are two prominent examples of online platforms that enable peer-to-peer consumption. When these businesses were founded in the 1990's, there were not common terms or categories available to describe them. Today, there are terms in development for discussing such companies and now I turn to discussing the two key phrases, 'Collaborative Consumption' and 'sharing economy'.

Collaborative Consumption and the Sharing Economy

A key component of the sharing economy's identity I have yet to fully discuss is the phenomenon of Collaborative Consumption. Botsman and Rodgers (2010) define Collaborative Consumption in two ways: it is a mechanism that balances the needs of individuals with the needs of the community (p. 63) and it also embodies traditional sharing, bartering, lending, trading, renting, gifting, and swapping, and then redefines these exchanges through technology (Botsman, 2013). These two different definitions are an example of the confusion there is around these terms; even the scholar who has made them popular has inconsistent definitions. However, what is more important for purposes of my research is not to create a concrete definition, but rather, to recognize that not having a solid definition provides people with a freedom to create their own definitions based on the buzzwords 'sharing economy' and 'Collaborative Consumption'. Just because anyone can interpret the sharing economy and Collaborative Consumption however they like does not mean these terms do not have boundaries. The words 'sharing' and 'collaborative' embody ideas of togetherness, helpfulness, and community; making every definition I have come across riddled with such themes. This thesis identifies these themes under the umbrella term 'Collaborative Consumption ideas'.

Rather than define Collaborative Consumption, I conclude that we conceptualize it not as an economic model; but as a mechanism and a finish line that the sharing economy paces towards. Collaborative Consumption is the driving force behind the sharing economy, and the ideal it strives to reach. If the sharing economy were a garden, Collaborative Consumption would be the plants and flowers that made this garden more than just a plot of land. In a society where Collaborative Consumption was the main economic model, each individual would have access to what they need therefore creating a better community to live in as there would be no poverty. It is unclear as to whether class structures would exist in a Collaborative Consumption society, but one can conclude that this strong and giving community would work to give every individual access to what he or she needs; thus completing the cycle of a reciprocally beneficial society.

The combination of using new technologies and the promotion of certain social values that embody Collaborative Consumption are being used to stimulate the circulation of resources within the sharing economy platform. This is revolutionizing and mainstreaming the way people consume and share. Like the term Collaborative Consumption, defining the sharing economy is complicated. Current writers on the topic define it differently from each other and also use the term differently depending on the context in which they are utilizing it. The sharing economy is a term being tossed around on the Internet and used in daily conversations, but everyone has a different idea as to what it truly means. This is a central problem of the movement: there is no shared definition or set standard of what the sharing economy is or what companies can be classified as part of this economy. In this thesis I will focus on how sharing economy companies combine ideas of Collaborative Consumption with capitalist business models to create profitable companies. To further discuss and review both the sharing economy and Collaborative Consumption, I will use the website Peers and the car sharing service Lyft as case studies.

What is the Sharing Economy?

Collaboration Consumption thought leader Rachel Botsman (2010), defines the sharing economy in her Ted Talk as follows, "An economic model based on sharing underutilized assets from spaces to skills to stuff for monetary or non-monetary benefits"(Botsman, 2010). Since the early 2000's new companies have been founded on the basis of what is now called the sharing economy. As Botsman says, the sharing economy is an economic model. This model runs on the premise that sharing resources such as time, space, and skills, is better for everyone involved. Instead of purchasing new skies in order to take on the slopes for a week long vacation, through a sharing economy organization you could rent someone else's skies for the week at a much lower price than if you were to rent them from a corporation such as a ski resort. Or perhaps you are a lawyer and need help with your taxes so you go to a website and find an accountant who needs legal advice. The two of you exchange resources and through this exchange you both get what you want. Similarly, Airbnb is a website that allows people to put their living spaces up for rent much like a hotel. Airbnb makes it possible for users to communicate before any monetary transaction has been made, thus building relationships among people before a purchase is made. As one can see, the sharing economy is a dynamic economic model that is based on sharing underutilized assets. To efficiently function, it uses the two-sided market to enable peer-to-peer consumption. As defined previously, the two-sided market uses a third party to facilitate the exchange of goods among peers, thus making peer-to-peer consumption and the two-sided market interdependent. While this is not true for all definitions of the two-sided market, in this thesis the third party that facilitates exchange is strictly limited to technology. The sharing economy is a complex model that is bigger than peer-to-peer consumption and the two-sided market, but it could not survive without these structures.

Now that I have established the complex relationship between the sharing economy and peer-to-peer consumption, let us take a closer look at the vital themes of trust and relationship building within peer-to-peer consumption. Building trust by forming relationships between people and communities is the fuel of peer-to-peer consumption. How is this possible in mainstream American society where neighbors seem to barely know each other and every other stranger on the street is assumed to be dangerous?

The use of technology, primarily the Internet and smartphones, is more abundant than ever before and instead of isolating people as has been argued in the past, the sharing economy utilizes technology to build trust between strangers and promote the sharing of resources. Looking at the Sarajevo example with Mickey, if technology had been involved in the interaction, he would have simply arrived at the train station and I would have already decided if I trusted him or not through our online interactions. The use of technology in sharing interactions has complicated this type of economic exchange because it has mainstreamed it causing companies like Lyft and Peers to become popular in a short amount of time. This massification and commodification of sharing resources has turned side jobs and temp work into a common practice, which makes financial gain from sharing more prevalent. Sharing economy companies have become successful so quickly because of the use of the two-sided market due to the development of newer technology, and because of the way Collaborative Consumption ideas, rather than concrete and universal definitions, are combined with capitalist business models. To look at the complexities of the sharing economy and understand how this combination of collaboration and capitalism is taking place, I will discuss the organizations Peers and Lyft.

Peers

In June 2013, Peers was founded as an online grassroots organization to help promote the sharing economy and to bring like-minded peer-to-peer consumers together. It is attempting to act as a platform of support for both the sharing economy economic model, and the Collaborative Consumption ideal. Peers has been especially useful when sharing economy organizations are faced with adversity. It is also being used as a virtual meeting ground intended to strengthen the sharing economy by bringing current participants, or peers, together and further promoting the sharing ideas. The first big event put on by Peers was a global potluck dinner that took place in October 2013. The way this worked was Peers asked their members if they would allow their homes or spaces to be open to other Peers members for an evening of food and discussion. Once the hosts were set up, invitations were emailed to the Peers community again saying you could register online using your email and zip code to find a host near you. Once the guest RSVP'd, all they had to do was arrive with a dish to share with other guests and an open mind ready to discuss the Sharing Economy. When I arrived at the potluck Peers dinner I decided to attend in Pasadena, California, I was surprised to find that not all the guests even knew what Peers was; they were just enticed by the idea of the sharing economy. This allowed for the meet up to be a social gathering, an information session, and also a brainstorming time. These three aspects combined created a sense of community and began relationships among people who otherwise would have been unlikely to cross paths in the big city of Los Angeles. Some of my interlocutors throughout this research are people who I met at my first Peers meet up and who kindly and enthusiastically volunteered their time and energy for extensive interviews.

I am using Peers as my primary example because of the strong emphasis and practice in bringing people together and the identity they have ascribed to the sharing economy. Peers describes itself as:

> A grassroots organization that supports the sharing economy movement. We believe that by sharing what we already have — like cars, homes, skills and time — everyone benefits in the process. The sharing economy is helping us pay the bills, work flexible hours, meet new people or spend more time with our families. We think it's how the 21st century economy should work, so we're coming together to grow, mainstream and protect the sharing economy. [www.peers.org, 2014]

This statement; the first thing one sees when visiting www.peers.org, states strongly what the sharing economy is, how it works, and what Peers believes in and is trying to accomplish. Yet, the phrase 'sharing economy' is used here in two different ways. Peers is referring to both the sharing economy as the economic model to share underutilized assets for monetary or non-monetary gain (Botsman and Rodgers, 2010) and the idea that the sharing economy is a movement towards a collaborative economy. This is yet another example of how discourse around the sharing economy can get confusing. When reading about the sharing economy, especially online, one must be hyper aware of the context because the phrase can represent both the economic model, or it can be a category for certain types of organizations and companies, or it can be a word for the movement towards a Collaborative Consumption economy. Above, when Peers talks about the 'sharing economy movement' they are referring to the movement towards a society where the main economic model is Collaborative Consumption. I do not believe the ideal goal of the sharing economy, as the economic model, is to fully change the American economy from capitalism to Collaborative Consumption, something I have heard others mistakenly call 'socialist' or 'communist'. Rather, the goal of striving towards Collaborative Consumption is to provide a harmonic balance between what people need and what society needs. The relationship between people and society should be reciprocal with every person getting what he or she needs from each other and from society. In a Collaborative Consumption model, society provides industries and items that individuals need while also allowing and facilitating the two-sided market for easy peer-to-peer consumption. This society promotes sharing and access to resources while realizing that ownership of commodities is important for sharing to even take place. It is a delicate balance and the sharing economy is an economic force that is paving a way towards a more collaborative economy. As sharing economy companies such as Lyft have embodied Collaborative Consumption ideas in their business models, it has been challenging to balance these ideas with the capitalist American economy. Let us now turn to look at Lyft as it is the organization I am using to demonstrate how Collaborative Consumption ideas have become commoditized and used for capitalist interests.

Lyft

Lyft is a ridesharing service that is a sharing economy organization. Logan Green and John Zimmer founded Lyft in 2012 as a way to help people get around cities by car. This ride sharing system is different from a taxi service for a few reasons. Firstly, Lyft is accessed through an app on a smartphone. If a rider wants a ride, they open the app and hit the only button available: 'request lyft'. Then the nearest drivers are located via GPS and the ride requester can choose which driver they want to come pick them up. Secondly, the rider is not obligated to pay by law, but rather, the fee that pops up on their phone screed at the end of the ride is a suggested donation (Carlson, 2013).

The driver and passenger ratings are vital to Lyft and are displayed as a scale of stars with zero being the lowest and five the highest. When a passenger is choosing a driver, they are more likely to choose a 'trustworthy' driver as defined by having as close to a five star rating as possible . Similarly, a driver can deny a ride request based on the Lyft requester's rating, which is based on the same five star scale previously described. For the driver, ratings are based on how friendly he or she was, how prompt they were, how well they got you from point A to point B, and the cleanliness of their car. When the driver rates the passenger, there is similar criteria, but also factored in is how much money the passenger pays. This ensures that if a passenger continually donates zero dollars or very low donations to drivers, his or her rating will plummet and he or she will hypothetically be phased out of Lyft as a whole because no driver will pick them up. Therefore, the ratings are not only based on trust, but are also based on how 'well' someone uses the system of Lyft.

The idea for Lyft was born out of another company that Green and Zimmer founded in 2007 called Zimride. Zimride was focused on long-distance car travel. Rather than travel around individual cities, Zimride was dedicated to getting travelers from city to city. Three primary goals this organization had when it began besides creating cheaper, reliable long distance transportation were to reduce carbon dioxide emissions, bring communities together, and provide a space for friendships to form thus making travelling a more social endeavor. These three goals are reflections of Collaborative Consumption ideas and will be discussed in chapter three. Once Zimride was off the ground, Green and Zimmer realized that 80% of space in cars was not being used. Thus the idea for Lyft was born: a service that enables people with extra space in their cars to share their extra seats and earn some money while they share. Since Lyft's founding in the summer of 2012 it has become immensely popular. The San Francisco based company has 300 drivers and counting in the Bay Area alone. In its first year, Lyft has accumulated over 100,000 users and provides approximately 30,000 rides a week. In July 2013 Zimride was sold to Enterprise Holdings so that Green and Zimmer could focus on the development and growth of Lyft (Carlson, 2013).

Critique of the Sharing Economy

The following critique was drawn from online bloggers and periodicals such as The Wall Street Journal, Salon, and Jacobin. All of these sources are well versed in the technology used to facilitate the sharing economy and are up to date with the happenings of the sharing economy community.

The book *What's Mine is Yours* by Rachel Botsman and Roo Rodgers (2010) promotes the idea that the sharing economy is the new economy that will create a positive and hopeful future for all by utilizing Collaborative Consumption. The sharing economy will improve lives by redistributing resources more evenly and at a cheaper price. Botsman and Rodgers encourage us to join in this revolution with them and change the world for the better:

> We believe Collaborative Consumption is part of an even bigger shift from a production-oriented measurement system that just gauges the amount we sell to a multidimensional notion of value that also takes into consideration the well-being of current and future generations. [Botsman & Rodgers, 2010, p. 221]

But what if it is all too good to be true? After all, how can the American economy be improved when people are urged to share and utilize existing resources rather than produce and purchase new items? An opinion piece against the sharing economy in *The Guardian*, notes that the making of new commodities provides many jobs in America and if less people are purchasing items, job stability gets put into question (Herbst, 2014). There are currently many issues with the sharing economy in terms of regulations and taxes, but my critique will only focus on public perceptions and logistics of the sharing economy, rather than the issues it has with the American government.

Many opinion bloggers such as Andrew Leonard and Tom Slee argue that the greatest tragedy of the sharing economy is that people who participate in and promote the movement have their hearts in the right place, but are actually creating a worse economy by promoting injustice (Leonard, 2014). Lyft can be qualified as temporary work generally used to supplement household income. Each user that chooses Lyft instead of a taxi is taking money away from a taxi driver who works full time with a taxi-driving career as their primary source of income (Slee, 2014). This could be justifiable if Lyft's employment criteria were different. However, to be a Lyft driver one must own his or her car, which must be a model later than 2000, and have a smartphone. These three criteria along with background checks and the requirement of being an American citizen exclude a huge amount of workers that would benefit from employment with Lyft.

Another problem is that the sharing economy has no clear direction; there is no sharing manifesto or set of standards for a sharing economy company to abide by. Without any standards, what is to keep the sharing economy from becoming the ultimate form of capitalism? The tech blogger Tom Slee (2014) argues that, "the sharing economy is the end point of capitalism." Lyft drivers are temporary workers who labor without benefits, insurance, job security, or any real prospect of upward mobility. If everyone converts over to the sharing economy model, then we are all reduced to temporary laborers answering to the tech-driven companies as our bosses. These companies then take a percentage of our money and we have no say over how much money they can take because we are just the lowly workers (Herbst, 2014).

The tech blogger Tom Slee, who also writes for the culture periodical called *Jacobin* has many opinions about Peers. Peers was founded because the sharing economy needed a platform to help connect people who share similar ideas about the economy and where it is headed. The high-profile speaker, author, and 'thought leader' Rachel Botsman sits at the head of Peers and since it's founding in the summer of 2013, it has garnered about 250,000 signatures of participants. But what does it do with these signatures? It turns out, not a whole lot. This grassroots organization seems to be mostly grass; no roots to grow and create real change. There have been two organized functions; the Peers Potluck Dinner and the Peers Clothing Swap (Slee, 2014). There have been petitions circulated to support Airbnb and Lyft's operation, but when I attended the Peers meet ups I found that most people just wanted to chat about life outside of the sharing economy and mainly chose to ignore the Peers petition emails. Peers does not have multiple offices or a large physical presence, but it does have a significant amount of financial backing. Tom Slee claims that Peers is running on funds from wealthy backers who invested in the company because they have financial interest in the sharing economy; not because they want the sharing of resources to make the world a better place (Slee, 2014). This means that people interested in getting the best return for their investments are the backers of the voice of the sharing economy. They are profiting off of the notions of sharing and collaboration. As of April, 2014 there has been no rebuttal from the pro-sharing economy side to Tom Slee's claims.

The way these companies mask the fact that they are creating injustice by exploiting temporary labor without benefits is by using specific language. Sharing economy companies say that their employers—drivers for Lyft, hosts for Airbnb—are "micro-entrepreneurs". This puts a positive spin on the fact that sharing economy employees are not employed in real jobs. They are employed in jobs that are fickle and meant to supplement a job that is part of America's capitalist economy; not replace it. Furthermore, by using words like 'sharing' and 'collaborative' the sharing economy poses as a left-leaning economic model focused on community building, face-to-face interactions, sustainability, green-living, and anti-consumer sentiments.

For example, when Lyft started out it was advertised as a carpooling service. Now it is a ridesharing service. Lyft drivers are called 'your friend with a car' and Lyft users are called Lyfters, not what they really are: customers. Airbnb was founded on the premise that users would share the empty spaces in their houses and earn a little money for the upkeep and utilities of these places. Both Lyft and Airbnb have changed their economic models from the sharing side, to more of a corporate capitalist model. Lyft now has 'surge pricing' for when the weather is bad, or when it is rush hour.

This means that the prices of a Lyft ride will change to encourage more drivers to get on the road and more customers to use Lyft depending on the conditions that alter transportation. In simple terms, Lyft is using tactical marketing to make the service cheaper during slow hours and more expensive during hot hours so they get the most money for not the drivers, but the company. One thing Lyft could do to change from this profit-seeking model that does not promote the idea of sharing, is to cap the amount of money a driver can make in a designated amount of time, making their income change from profit maximization to cost sharing.

There has been much controversy between ridesharing companies and taxi services in large cities where ridesharing is popular. Seattle and New York have already taken extreme actions with legislation to stop or slow down the ridesharing industry. The largest complaint is that taxi companies and drivers need to be certified and follow specific laws while ridesharing services and drivers evade all legislation. Lyft's response to the angry taxi companies is that Lyft will actually improve the popularity of the taxi industry. By having more ridesharing services available, less people will want to own cars so more of the population will use public transportation, taxis, and ridesharing services (Lyft, 2014). Does Lyft not know that they opened up a conversation about negative experiences with taxi drivers? That is incredibly difficult to believe. Their advertising is geared towards showcasing Lyft's friendly and social atmosphere. Perhaps some taxi drivers are not talkative and just want to get from point A to point B without a social interaction. When Lyft brags about how social and friendly their drivers are, they show that this is the correct way to act and participate in transportation. They vilify the taxi driver based on the negative interactions of a few. If Lyft were so interested in collaboration, why not engage with the taxi unions and work on new policies that benefit taxis and ridesharing companies? Apparently the sharing economy is only welcoming to those who agree to play by its rules.

This brings up my critique of the sharing economy involving exclusion. In order to be a part of the sharing economy one must have technology: a smartphone, a computer, or a laptop. Furthermore, one must have social media like Facebook in order to build trust and verify human identity with companies such as Lyft and Airbnb. If a person cannot afford a smartphone or computer, then this sharing movement leaves him behind. Additionally, in many cities Lyft operates in restricted areas. In Seattle, before the legislation by City Council was passed to limit Lyft, it only operated in central, eastern, and northern Seattle neighborhoods. South Seattle is an area known for its poverty. South Seattle encompasses the area south of the I-90 Bridge and north of Renton. My zip code, 98144, is in the heart of south Seattle and is the most diverse zip code in the nation with groups of Ethiopians, Norwegians, Russians, African Americans, Mexicans, Irish, and many more immigrants. The public school near my house is continually listed as one of the worst in Seattle and you can be sure that any new public housing projects or proposals for neighborhood improvement are all aimed at cleaning up south Seattle. Lyft does not access this part of Seattle that is south of the I-90 Bridge. If this was an accident, then the Lyft expansion team made a huge mistake considering that public transportation is sparse in south Seattle so Lyft probably would have been popular among the young adults in the area who own the correct technology. However, if the development and expansion team at Lyft conducted research in the community, then they knew that south Seattle was where the most impoverished neighborhoods are so this demographic was less likely to participate in Lyft, considering that the middle and upper class Generation Y are the most frequent customers.

This exclusion is a structural problem with Lyft and other sharing economy companies. If they are so concerned with everyone's well being and improving the lives of all by sharing resources, then why are they relying solely on the sparse and expensive resource of technology to spread and grow the sharing movement? If the lower class, on average, does not have as much access to the relevant technology as the upper and middle class in America, and the sharing economy does make participants more affluent, then the gap between the lower class and the other classes will expand radically.

What's Next?

Despite the wide range of critique on the sharing economy, it is worth exploring the topic because the sharing economy is becoming increasingly more popular in America. In chapter two I will explore other forms of exchange and how they are related to the economic nature of the sharing economy. I will also examine how classical scholars Adam Smith and Marcel Mauss saw human nature as intrinsic to economic motivation. By looking at the formalist-substantivist debate, the study of the Kula trade, and the phenomenon of Christmas giving as described by James Carrier, I will argue that it is incomplete to categorize an economy as strictly capitalist or exclusively gift exchange. Through economic anthropological theories I will illuminate the economic gray area that the sharing economy occupies. Then, in chapter three I will discuss how Lyft and Peers motivate people to use the services and compare that to ethnographic fieldwork on why users are actually participating in the sharing economy. The next two chapters disclose a complex relationship between the desires for social interaction and personalization in the economy mixed with the desire for the most convenient option and how the sharing economy is grappling with these wants.

Chapter 2: Conceptualizing Economy

Back to Basics

The definition of Collaborative Consumption, as used by this thesis, suggests that everyone gives and receives exactly what they need, therefore eradicating inequality. Sharing economy companies use Collaborative Consumption ideas of community and relationship building in their capitalist business models to make a profit. This chapter explores how it is common to think that an economy must involve a monetary transaction; such as money for an object, but in reality money is not vital to every economy, as will be shown later with the Kula trade. Furthermore, I point out the complexities of labeling a society as exclusively practicing one kind of exchange; such as a 'gift exchange society' or a 'capitalist society'. I argue that the sharing economy is practicing the American capitalist market economy in a new way. By looking first at basic definitions of the words 'economy' and 'sharing' I show how incomplete a basic definition of these words is when discussing market phenomena. I then discuss the classic economic scholars Adam Smith and Marcel Mauss and show how their black and white analysis of capitalism and gift exchange (respectively) are the stepping-stones for analyzing the current American sharing economy. I provide an analysis of Kula trade to show another economy that combines ideas of utility, collaboration and relationship building. These examples support my argument that the sharing economy right now is not an overthrow of capitalism, but rather an act towards practicing the market economy in a new way through the use of

Collaborative Consumption ideas. The sharing economy combines ideas of Collaborative Consumption and the culture of sharing it promotes with capitalist models of business and consumerism in America to make a profit.

When searching for a basic definition of the 'economy' on the Internet, here is what one finds:

Google: "Careful management of available resources".
The Merriam-Webster dictionary: "The process or system by which goods and services are produced, sold, and bought in a country or region."
Dictionary.com and thefreedictionary.com: "Careful, thrifty management of resources such as money, materials, or labor."
Wikipedia gives a more extensive definition of the word: "An economy…consists of the production, distribution or trade, and consumption of limited goods and services by different agents in a given geographical location."
The Oxford Online Dictionary: "The wealth and resources of a country or region, especially in terms of the production and consumption of goods and services" and the second definition is "Careful management of available resources."

When searching for the definition of 'sharing' in the same way the follow results appear:

Google: “Have a portion of (something) with another or others.”
Merriam-Webster Dictionary: “To partake of, use, experience, occupy, or enjoy with others.”
Dictionary.com and thefreedictionary.com: “To divide and distribute in shares; to use, participate in, enjoy, receive, etc…”
Wikipedia: “Sharing is the joint use of a resource or space.”
Oxford Online Dictionary: “Have a portion of (something), use, occupy, or enjoy (something) jointly with others, give a portion of (something) to another or others.”

The definitions of ‘economy’ emphasize that resources and transactions are what make up an economy. The definitions of ‘sharing’ show that the act of sharing is not individual; it must be performed with others. It also does not say that sharing is inherently free. The Collaborative Consumption ideas that sharing economy companies use lead one to think that services are provided out of love and a desire to be social. Many companies, like Lyft, promote these ‘hippie’ or ‘alternative’ ideas to such an extent that people wonder how the company is able to make money. In actuality, the company makes a lot of money, in June 2013 Lyft made an estimated $83 million (Geron, 2013). Sharing economy companies like Lyft make a profit because they have combined an alternative culture with mainstream American capitalism. By ‘alternative culture’ I mean sentiments that are ‘against the man’ or against the ‘capitalist giant’ and big corporations: this ‘alternative culture’ embodies Collaborative Consumption ideas.

The next chapter discusses sharing economy motivations in a deeper manner from both the company and consumer side. Before one can understand motives in the sharing economy, one must seek an answer to the question: how are ideas of sharing and collaboration combined with the capitalist idea of profit? This chapter looks at other economies that involve sharing to show that collaborative economic models are present in many societies. The utilization of technology in sharing is new, but there are other economies that place high importance on relationship building as well as the exchange of resources. I look at Adam Smith, the formalist and substantivist debate, gift exchange theories of Marcel Mauss, and Bronislaw Malinowski’s study of Kula trade to show how collaborative economic models and the sharing economy combine Collaborative Consumption ideas with capitalist ideas of basic human nature to create a new economy that yields a profit. Let us remember from chapter one that in a Collaborative Consumption society, everyone would take what he or she needs and nothing more. The sharing economy uses capitalist ideas because it wants to produce more transactions to turn a profit; but it also wants to build relationships and strengthen communities.

Adam Smith on Economic Motivation

When I discuss capitalism I am referring to Adam Smith's ideas of human economic behavior as depicted in his book *The Wealth of Nations*. Smith's discusses the relationship between an item's value and the labor that goes into it, as well as how rational human nature translates into action. His theories offer an explanation as to why consumers might be motivated to use sharing economy services. Adam Smith proposed that humans have a natural desire for order in the world. Order is defined as making a profit from labor to accumulating riches to acquire education, art, and civilization. When individuals inevitably indulge in their self-interest, they make a profit and also gain the items or services they need to function. This is beneficial for society because there is more competition, exchange, and production (Wilk & Cliggett, 2007, p. 53). Note that in a Collaborative Consumption society there is no competition over resources and therefore there is more sharing exchange and less production. However, Smith believes that as long as individuals are acting in rational and self-interested ways, society and individuals alike will prosper. There is no division between what is good for society and what is good for the individual; gain in wealth and therefore order is in the best interest of both parties.

For Smith, the value of an item comes from the amount of labor that was put into obtaining or making that item (Wilk & Cliggett, 2007, p. 52). This creates two ways of finding value in an item: the first is putting labor into creating the item or service you need and the second is trading or exchanging for what you need and therefore saving your own labor time. The first way of defining value rests solely with the individual because he or she is the creator and user of the item or service. The second way involves the public and social interaction in the act of exchanging.

Smith claims that humans participate in markets of exchange because they naturally want the best return for their labor and ideally want to make a profit (Wilk & Cliggett, 2007, p. 52). Smith would say that peer-to-peer consumption happens because the two-sided market enables humans easy access to profit from services and the consumer is able to purchase what they need at a lower price.

Smith's ideas could provide full explanations for every aspect of the sharing economy if one is creative enough. But this leaves a rather bad taste in my mouth. Smith does not acknowledge the use of culture, or alternative culture, as a motivating reason for the individual, which is a huge part of the sharing economy, as I will demonstrate in chapter three.

Adam Smith heavily influenced the formalist side of the debate I will discuss next. The substantivists retaliated against the formal utilitarian claims by discussing how the formal model could never fully explain economies that were not involved in market exchange. The formalist-substantivist debate that began in the 1950's and continues today. It has been formative for economic anthropology and never reached a conclusion or had a clear winner (Wilk & Cliggett, 2007). One can gain insight nonetheless, because the sharing economy is a combination of alternative culture and capitalist ideas, and both sides of the formalist-substantivist debate acknowledge the interaction of culture and market exchange.

Formalism and Substantivism in Economic Anthropology

The formalist-substantivist debate is relevant to the sharing economy because it shows the limits of viewing only one side of the argument and defining an economy only as a phenomenon that involves the transaction of money. The debate may never be settled, but that is the beauty of this problem. Both cultural contextualization and utilitarian views of economy are necessary to understand any economic phenomenon; the sharing economy is no exception. This is important because now, more than ever, most economies are not isolated within the societies they originated. They are not isolated by country boarders or the world's oceans, and with the overlap of economies come the overlap of ideas. The cultural context for the sharing economy is Collaborative Consumption ideas, which are then used in a logical and utilitarian way to build profit-making businesses. It would be wrong to say that the sharing economy is black or white, sharing or profit seeking. This economic model is both. It uses sharing to make a profit therefore combining utilitarian economics with ideas that value access to resources rather than ownership. The combination of these ideas is illustrated by the formalism and substantivism debate.

Formalist theory is often associated with the deduction of concrete facts from behavioral observation. It is considered to be the most tangible and scientific way to understand economic behavior. This side of economic anthropology acknowledges that culture plays an important role in any economy, but is not concerned with explaining *why* culture influences an economy (LeClair, 1962, p. 1182). Rather, formalism argues that human economic behavior can be predicted across cultures based on certain fundamentals. For example, humans partake in logical, rational, and intelligent action when it comes to economic activities.

Formalism revolves around the ideas that humans partake in decision-making and choice based on the maximization of utility of the things they purchase or partake in. For formalists, culture is seen as a factor for economic behavior, such as in Christian countries more fish is consumed than in non-Christian countries. But the formalist would observe this and also see how the person buying the fish is getting the most out of their purchase. The formalist is not concerned with why the consumer is buying fish other than that it satisfies the consumer's needs. Though he realizes the fact that religious reasons are prevalent in the decision to buy fish, the most relevant point is that the person buys the fish in general. Maximization in the economic sense has evolved from strictly applying to material items, to including abstract things such as love and security. As the formalist Edward LeClair (1962) argues:

> Economists no longer believe, if they ever did, that human wants are confined, in market societies, to material wants, nor do they assume this to be true of any society. Nor is an assumption of the materialistic nature of human wants a necessary element in contemporary economic theory. [LeClair, 1962, p. 1181]

Because formalist theory claims that individuals are motivated by selfish gain, it is important to note that the terms 'self-interest' and 'selfish' do not carry a negative connotation. Acting out of self-interest is a natural impulse for desire of better or more positivity (Wilk & Cliggett, 2007, p. 50).

The substantivist argues that one cannot study market economies and non-market economies using the same universal principles, where formalists suggest universal rules of human nature can be applied to all economies. Substantivists think that applying a western perspective of analysis to non-western economies does not provide clarity and understanding but rather, it creates false information and misconception. The substantivist George Dalton (1961) argues in his article *Economic Theory in Primitive Society* that formal economic theory was produced by Western society and therefore is not applicable to what he calls 'primitive' society:

> Anthropologists concerned with primitive economy sometimes seek preparation by studying the economics of their own society in the hope of acquiring analytical categories, techniques, and useful insights…However, it is not well enough understood that much economic theory is inapplicable to primitive economy. [Dalton, 1961, p. 1]

Modern economic theory has been incredibly effective for understanding market economies and Western economic behavior, but it falls short in explaining other economies for a few reasons. Firstly, the method and content of economic theory were shaped by factory industrialism and market organization (Dalton, 1961, p. 1). It is problematic to analyze economies without industrial roots with Western economic theory because by this logic, market exchange must happen in order for an economy to be considered valid. If one is not making money from selling something then there is no market. The market refers to both the actual site of exchange, such as a store, and the process for the transaction of money for material item. Furthermore, by looking at the phenomenon we call the 'economy' through this Western framework, we end up separating the economy from culture. Dalton suggests that, "to regard economy as having such an inner consistency and autonomy as to allow the derivation of distinct economic laws which seemed to operate independently of social institutions" (Dalton, 1961, p. 3). In other words, by standardizing theories and making assumptions of universal human behavior and applying them to economic activity, is to exclude the fact that economy operates within social and cultural realms. Formalists have been critiqued by substantivists for regarding the economy as a separate entity from culture (Wilk & Cliggett, 2007).

Yet this is where the debate begins to heat up. As I stated earlier, formalists retaliated by saying that their claim that all humans pursue personal gain was taken the wrong way. The fact that gaining items is not restricted to the material realm provides flexibility to the formalist argument. Now, a formalist can argue that universally, humans seek gain within all aspects of their lives. This falls short in one major area. What formalists explain is how this works in terms of economy, but they do not discuss the contributions of culture. Substantivists say that formalists are confusing the universally correct and biologically derived necessity that man's existence requires continuous material subsistence with the social orientation that the culture a man lives in urges him to want more and more (Dalton, 1961, p. 5). Formalists claim that humans aim to acquire the material goods that satisfy them both biologically and socially, but they do not look at how social structures promote the acquisition of goods. This is problematic for substantivists because the economy is not a separate body from social and cultural normative; it is heavily engrained.

It is not necessary to solve this debate or even to find a middle ground between the two sides. This debate is vital, however, because it illuminates the basic mechanics by which the sharing economy operates and shows two major theories of economic motivation that have been discussed in academia for years. Capitalism and collaboration are combined without discussing which one is a better business model. Instead, with the sharing economy, the two inherently different ideologies are forged together into an economic system that turns a profit. Mauss and Malinowski expand the basic definition of what an economy entails and show the relevance of exchange and collaboration.

Bronislaw Malinowski and Marcel Mauss

The famous anthropologist Bronislaw Malinowski rejected the structural functionalist theory that people do things to maintain the social structure, and instead, asserted that humans were motivated by their individual needs rather than the needs of society. No action can exist unless it satisfies a human need; nothing is useless. Both Malinowski and structural functionalists claim that people act out of self-interest to satisfy their needs. However, Malinowski argues that humans are rational and driven by reasonable and universal human needs, but the actual form of human needs are culturally variable and the solutions to these needs are dictated by custom (Wilk & Cliggett, 2007, p. 128).

Malinowski's most famous study was that of the Kula trade in the Trobriand Islands. This is where Trobriand Islanders make an annual treacherous journey over hundreds of miles of sea to trade armshells (bracelets) and necklaces with other groups. To missionaries and colonial administrators of the time, this Kula trade seemed nonsensical. To ethnocentric outsiders it was an easy way to claim that the Trobriand Islanders were a 'lesser' race of irrational humans. Determined to prove these assumptions wrong, Malinowski lived among the Islanders and discovered that there was deep meaning behind the Kula trade. He deducted three main reasons humans made the intense voyages year after year: the first reason to trade is to establish and maintain peaceful contact and communication with other groups living on different islands, the second is to also trade utilitarian items when the Kula is exchanged, and the third is to reinforce status and authority of certain people in the each society (Malinowski, 1922).

Through his study of the Trobriand Islanders, Malinowski was able to show that a seemingly ridiculous act to Westerners is actually incredibly logical within the context of the Trobriand culture. The Kula trade is a functional custom that fulfills both social and biological human needs relative to Trobriand tradition. Along this strain of thought, Malinowski claimed that as well as being functional, human action is culturally dictated (Malinowski, 1922). This complicates the claim in formalism that humans are motivated by rational and selfish fulfillment of material needs. The formalists fail to see how culture contributes to why economic exchanges take place, and in Malinowski's case, they miss the root reasons as to why humans exchange items at all. Malinowski went so far as to claim that Western economic theory did not even work for Western societies, especially capitalism, because just like 'primitive' economies, capitalism operated under the premise of symbols, tradition, and desire for prestige and to follow custom (Wilk & Cliggett, 2007). Malinowski combines traits of both formalism and substantivism. For the latter, he clearly believes that culture and customs influence economic exchange. In the formalist manner, he claims that humans operate by universal fundamentals, although what he believes as universal human motivation is different from what traditional formalists believe.

The sharing economy is fundamentally similar to the Kula trade of the Trobriand Islanders. There are no treacherous seas to traverse over in ridesharing, however goods are exchanged for more than just monetary gain; they are also exchanged to strengthen social relationships between communities and individuals. When the classical gift exchange scholar

Marcel Mauss analyzes Malinowski's findings of the Kula trade he decides that the trade is "neither that of the free, purely gratuitous rendering of total services, nor that of production and exchange purely interested in what is useful" (Mauss, 1950, p. 73) but instead it is a hybrid or combination of both of these concepts. The armshells and necklaces were given as gifts to the recipient, yet had clear symbolic meanings attached that had use. This way in which Mauss sees the Kula trade is indicative of how he sees exchange in general. There is no true gift; meaning one always expects something in return for a gift. The expected return is often thanks, which fortifies a relationship and social values. One could now argue that all humans are selfishly motivated and all exchanges are utilitarian because strong relationships are a useful asset for individuals. However as we have seen from the unresolved formalist-substantivist debate, the important takeaway is not deciphering which side is right, as mentioned in chapter one, it is far more vital to occupy the intellectual space of the debate (Maurer, 2012). Allowing the debate to unfold and analyzing the evidence from both sides gives a broader understanding and far more detailed picture of the economic phenomenon than any one side could provide.

Definitions of 'economy' try to capture human actions and fit them into a category of a particular economy. Smith did this with his notion of a capitalist economy by saying humans are selfishly motivated and this stimulates the capitalist market. Then Mauss looked at gift economies and argued that humans were motivated by social values and reciprocity. The ideas represented by Smith and Mauss are the foundations of thinking about economies in terms of human interaction. The formalist and substantivist debate created a transition in thinking about an economy as more than the simple exchange of items. It made people think about how deeply human interactions, social values, and cultural contexts are ingrained (or not ingrained) in forms of exchange.

Dynamic Understandings of Economies

Current economic anthropological study shows how the discipline has moved on from defining societies based on what researchers have stated as the primary mode of exchange within a certain society. This is to say that just because gift exchange happens within a society does not mean that the society can be labeled as a 'gift society'. This is evident in James Carrier's (1993) book *Unwrapping Christmas* that was briefly mentioned in chapter one. Carrier discusses how within the capitalist market of America, the ritual of Christmas giving is stimulated by both commercialism and gift exchange. An item is purchased with money in an impersonal interaction, but once the item is purchased it carries the personal sentiment and identity of the purchaser, therefore turning it into a gift item that expresses and strengthens a personal relationship (Carrier, 1993, p. 55). This example complicates the claim that America is a purely capitalist society because gift exchange happens within the capitalist market. Chris Hann (2010) discusses the idea of a moral economy in his article *Moral Economy* as a mechanism used to "critique economism and highlight the values that have provoked sections of society…to resort to political action and, more generally, behavior which puts the long-term values of community before the short-term maximization of individual utility"(p. 196). Hann also analyzes the work of scholars E. P. Thompson, James Scott, and Polanyi, although with emphasis placed on class structure. The idea these scholars explore that is relevant here, is that collaboration and community are values that have been brought to prominence when critiquing capitalism and work within larger, defined economies (Hann, 2010, p. 196). The classical economic scholars would prefer to define human motivation in economy using black and white terms. However, the current economic climate in America is categorized as a capitalist market, but this market is nuanced with aspects of gift exchange, selfish motivation, and community values. This is reflected in Carrier's Christmas gift example and illuminates how classical studies of capitalism and gift exchange created the platform for studying economy, but the American market has evolved past being defined as one thing; just as the word 'economy' cannot be defined simply.

Rather than swinging to the complete opposite of capitalism, the critique or alternative that is relevant in America now is the sharing economy. Scholars and activists struggle to define the sharing economy because it is attempting to practice the market economy in a new way. As stated before, economies are far broader than transactions that involve money and the sharing economy recognizes that there is a consumer out there who wants to partake in an economy that involves more than a monetary exchange. In another research project I would likely explore the range of sharing economy companies seeing as some incorporate more capitalist notions while others lean more towards ideas of gift exchange. Despite the fact that different sharing economy companies draw from different classical backgrounds, what they all have in common is that they work along side the current American capitalist market rather than overthrow the market.

In the ridesharing world there is a desire from the customer for a combination of the most convenience and a community building experience. The ridesharing consumer combines the rational human motives of Adam Smith with a desire for community building through exchange. This combination is progressive, but is one of many examples of the complexities of modern markets. Similarly to Carrier's study of Christmas gift exchange, Lyft turns the commodity of ridesharing into a symbol that promotes the social values of relationship building while also still being a commodity that operates within a capitalist market. The formalist-substantivist debate demonstrates that the reason debates exist and subsist is because one side cannot explain everything. Defining 'economy' involves categorizing human interactions, which is incredibly difficult. Human interactions cannot be generalized; just because gift exchange happens within a society does not mean that the society can be labeled as a gift society. Just as discussing the sharing economy in capitalist terms would leave gaping holes in realizing what this economic model is and how it works. Analyzing it as just a community building and Collaborative Consumption phenomenon would be neglectful, and leave us ignorant as to the powerhouse economic movement it is becoming because it is practicing the market economy in a new way.

What's Next?

How are companies like Lyft and Carsurfing motivating consumers to use their services? Why are customers partaking in these ridesharing services and other sharing economy companies? By way of ethnographic research I delve into answering these questions throughout the third and final chapter. The motivations of both companies and consumers build on the theories of human nature and motivation that were discussed in chapter two. Combining Collaborative Consumption ideas with capitalist business modes not only creates the gray area that the sharing economy occupies, but it also is what motivates customers to partake in this new form of exchange.

Chapter 3: Analyzing Motives

In chapter one, concepts and terms that are integral to the sharing economy were contextualized and defined. Then the current critique and problems of the sharing economy were discussed. Chapter two occupied the theoretical space for a deeper understanding of the complexities of economies and explaining how sharing economy organizations are considering their place in the United States capitalist economy. Now, in chapter three I will showcase the influential and insightful interviews I had with my interlocutors and show how and why people and companies are motivated to use and partake in the sharing economy. I will also look at the marketing and public face of Lyft and Peers to further show how these companies are motivating people to partake in their services. I argue that the way in which sharing economy companies are remaking market exchange is precisely what motivates consumers to partake in the sharing economy. I also argue that sharing economy companies market the Collaborative Consumption aspects of their business model while masking their capitalist motives to make a profit.

When it came to the interviewing process, I asked my interviewees about their motives for using sharing economy services and found that there is a complex relationship between what the companies think customers want, and the reality of what they want. Customers primarily want convenience and are secondarily motivated by Collaborative Consumption ideologies while companies promote these ideologies and ignore the convenience and capitalistic aspects of their businesses. Before delving into the ethnography, let us look at two different experiences with hitchhiking. Below are two examples or ridesharing; my personal story is a successful attempt, and Freddie's story (Freddie is the CEO or Carsurfing; a company I will expand on later in this chapter) shows one difficult aspect of hitchhiking.

Hitchhiking

After a very long plane delay on my way back to Italy after a trip to Spain, I found myself stuck in the Pisa airport at 1:00am with no public transportation in service to take me back to my residence in Siena. Reluctantly, I stayed the night in a cheap hotel and the next day took the bus into the city of Pisa where I was hoping to catch a train home. Once in central Pisa, I discovered that my wallet had disappeared. I had no idea when this happened or how, but I did know that I was stuck without a penny to my name in the middle of a foreign city. When the reality of the situation set in, I couldn't help but laugh uncontrollably. Once I contained myself I sat on a curb a block away from the train station and thought about my next move. Right in front of me was a huge round about with a sign pointing the way towards Siena. Thus commenced my first foray into hitchhiking. It took a while for a car to stop, and when one did an older woman was the driver. She asked me where I was going and since both of us were headed to Siena, she allowed me in her car. Once we began talking, in a mix of Italian and English, she told me that she hitchhiked all the time when she was younger because it was normal. Now, it is unsafe and her motive for picking me up was because she didn't want a young girl like me to get in the car with the wrong person. She made it very clear that she would not have picked me up if I had been a male. At the end of our drive she thanked me for providing her with some company for her trip and she wished me well.

Freddie is an energetic world traveler who is building his ridesharing company called Carsurfing. I will discuss my interview with Freddie and his company later in this chapter, but first, here is his experience with hitchhiking. Freddie did not have the same luck in 2008 when he was trying to get home after a concert. After about an hour of trying to get a ride home, he gave up and walked the whole way. He wondered why no car would pick him up and came to the conclusion that there is a major lack of trust in American society and people probably thought the 40-year-old man on the side of the road at 1:00am was an axe-murderer.

In both of these vignettes there are themes of distrust of strangers and lack of general convenience for getting from point A to point B. These are two key concepts that ridesharing companies like Lyft picked up on and created a new business in the market. The company Peers sees what Lyft is doing to create more trust and connect riders to drivers, and has found its place in the market because outside organizations such as taxi companies are frustrated that sharing economy companies have not had to acquire the same permits and follow the same regulations as the taxi drivers. This has sparked some controversy between sharing economy companies and local governments because cities are trying to find a balance between new sharing economy companies, and older more regulated companies. Peers is popular because it brings people together who act as the voice of the sharing economy now that local governments are getting involved in regulations.

The above stories illuminate how vital trust is for exchange to take place. In my case, I provided companionship for the Italian woman and she provided me with a ride. Freddie never had the chance to engage in this kind of exchange because no one trusted him enough to pick him up. The sharing economy is successful in America right now because of the dynamic between three aspects: how sharing economy companies are providing their service, how they market these services, and what motivates customers to use sharing economy services.

Two themes were clear in my interviews. The first is that the United States is a highly capitalist society and individual monetary gain is both highly valued and pursued. This is interesting because I was not expecting to hear a lot about personal financial gain from sharing economy participants. The second is the cultural teaching that strangers are not to be trusted, which creates and perpetuates fear of those whom we do not know. In looking at motives in the sharing economy, I will also examine how the key themes of identity and trust work with the two themes above.

Motives in the sharing economy come from two different angles. First I will discuss how the companies Lyft and Carsurfing promote and market themselves in order to gain employees and customers. Carsurfing is focused on in this chapter because I was able to interview Freddie, the unsuccessful hitchhiker turned CEO. I was unable to reach anyone in the administration of Lyft, but have analyzed the Lyft blog, Lyft website, and users. To conclude this chapter I will analyze the motives of both employees and customers for partaking in Lyft and other relevant sharing organizations.

The Company Side

Let us remember that Collaborative Consumption places value on one's access to resources, rather than on ownership. Ridesharing works in this model because there is an excess of resources, (seats in a car) and there is a demand for access to these extra seats. Collaborative Consumption thrives on the reality that there is both a lack of use of owned items, and a lack of trust to share these items. The sharing economy has commoditized Collaborative Consumption by turning the sharing of resources into a business. With this information in mind, I now turn to look at Freddie's company Carsurfing.

Carsurfing is a web-based application right now and a native application is currently in development. It has gained footing though big events such as concerts and festivals by helping people who do not know each other, but are going to the same event, connect and share rides to and from the venue. The rider is charged a one-dollar pick-up fee and then 20 cents for every mile driven. This company is already operating on a global scale for events and with the native application the company will grow further. A native application is commonly known as an ‘app’ on a specific device such as a smartphone or an iPad. Native applications are easy to access and navigate and are available to anyone with the compatible technology; which is why sharing economy companies use them extensively. Once Carsurfing has a native application, Freddie plans to turn it into a day-to-day ridesharing service. Later I will discuss how Carsurfing is different and similar to Lyft, but here I will focus on why Freddie decided this company is needed and how he is marketing his company to motivate customers to use it. When I asked Freddie, “What are the motivating factors behind your business?” He responded, “So for me, the three most important things in the business of the sharing economy are people, planet, and profit. I call it the Three P’s and it is what my business is based on. And it’s in that order too, people are most important.”

Freddie was the first person to bring the Three P’s up to me, however, when researching what motivates people to use sharing economy services these three subjects were brought up in every interview. In the Three P’s, people refers to the importance of relationships and trust and planet refers to environmental concerns. I propose that profit is defined in two ways: for the company it is a quantitative monetary gain and for the consumers it is defined as saving both money and time. The idea is that the consumer is profiting because they get to enjoy the convenience of the ridesharing service with the added incentives of people and planet.

Freddie wants to live in a world where it is not strange to jump in the passenger seat of a car after you click a button on your phone. During interviews, many of my interlocutors acknowledged that the American public has a hard time trusting strangers. In founding Carsurfing, Freddie has struggled with this lack of trust. I asked him about challenges he has faced in starting Carsurfing and he responded by saying, "What has been tough with this whole thing is figuring out how to get people to trust strangers. How to trust someone enough, who you don't know, and then get in their car and let them give you a ride."

To make his company appealing and less frightening Freddie relies on two main safety features. One service is called Trulioo and is an online platform that a Carsurfing user signs into and once the user enters his or her information, Trulioo screens them through every social media platform to make sure that the person is real. This works because one must have some form of a social media personality to develop any sort of trust relationship in the sharing economy. This combines two important elements of Collaborative Consumption that I will elaborate on later; identity and trust. The second safety feature involves software where the passenger and driver each take a picture of each other, which is then stored in the Cloud. This same software is also a tracking system so Carsurfing will always know where each one of their operating rides is driving. My interlocutor informed me that this safety software is being used in South America right now because there have been many safety issues with taxi services. According to

Freddie, the new safety software has made a huge difference in decreasing the number of taxi service related incidents such as kidnapping and violent crime.

These safety and trust-instilling features are vital to ridesharing companies because they allow trust to exude from a company name. For example, when Lyft first began there was concern about the safety of the application, but because of the use of safety features Lyft has grown into a trusted company. Appearing on Lyft's blog on February 5th, 2014 was this statement:

> At Lyft, safety is our top priority and we're always working to go above and beyond for the community. Since launching a year and a half ago, Lyft has successfully increased transportation safety in three fundamental ways:
>
> 1. Established background check and driving record standards that are more strict than taxis, limos and black cars and the most stringent in our industry.
> 2. Used technology to create more accountability and trust through in-app feedback, ratings and photos as the only company in the space to have all these elements for both passengers and drivers.
> 3. Pioneered the first-of-its-kind $1,000,000 excess liability policy in 2012. [Lyft Blog, 2014]

By publically voicing their awareness and innovation of safety features, Lyft makes the company appear more trustworthy and credible to outsiders. This statement affirms that Lyft is a safe company not just because of the safety features it uses, but because safety is an ongoing discussion that the company is continuously engaged with. In my research I could not find any major incidences that happened through Lyft. At least publically, Lyft has a very low incident rate and the most common error, which is still rare, is that the wrong car arrives to pick up the Lyfter. On an idealistic level, trust is important for these companies because the people who work there don't want other people to be put in harm's way. From a business aspect, Lyft would be crippled if it were common for people to go missing or have things stolen from them on Lyft rides. The roots of trust for Lyft are its reputation and its safety features, and without this trust there would be no business. I am not proposing that Lyft does not care about the welfare of its users at all. Rather, the reasons Lyft cares about its users are foggy. Does Lyft care because they want to make the world a better place by providing easy, friendly transportation? Do they care about their user's welfare because without their safety, they would have no business and no income? Or perhaps both?

I could not interview anyone in a position of authority at Lyft, however after extensive research into how the company portrays itself, there are remarkable similarities to Carsurfing. Lyft puts a heavy emphasis on how they are not a cab service, but a peer-to-peer ride sharing service. Let us look at some examples from Lyft's blog:

March 5th: Lyft Arrives in the 805

In reporting the news that Lyft had begun operating in Santa Barbara the Lyft blog states:

> Lyft co-founder and Gaucho alum Logan Green created the first on-campus car-sharing program and was the youngest director of the Santa Barbara Metropolitan Transit District while a student at UCSB, so we know firsthand the benefit peer-to-peer transportation will

> bring to Santa Barbara's close-knit community. Between Isla Vista and Summerland and from fiestas to farmer's markets, a friendly, safe ride is now just a tap away. [Lyft Blog, 2014]

February 14th: Share #LyftLove Today

This is Lyft's promotion for Valentine's Day:

> What do hand-knit mittens, surprise hot chocolates, and a ukulele jam session have in common? The spirit of #LyftLove, of course! For us, Valentine's Day is about showing appreciation for your fellow Lyfters with acts of kindness, whatever they may be. With Lyft in just two cities this time last year, we collected 101 #LyftLove stories. With 10x the number of cities today, can we show the world ten times the love? The three Lyfters who warm our hearts the most with their stories will win $214 in Lyft credit — and free rides for 5 of their friends! [Lyft Blog, 2014]

The examples of warmth and friendship that exude from the company are endless. At the center of the Santa Barbara announcement was community building through a *friendly* and *safe* ridesharing service. Lyft is publicizing that the already community driven college town will only benefit from the ridesharing services' presence. The Valentine's Day promotion plays on themes of community, friendship, fun stories, and love for all. Cheesy? Yes. Effective? Yes again. This is brilliant advertising because in order for the Lyft community to partake, they must perform actions that are full of love and kindness and then these actions are branded as #LyftLove by this promotion. Furthermore, the virtues of love and kindness are being used to both enhance the Lyft community and to make Lyft more money. Lyft incentivized friendly and kind actions and then made a video which can be watched on the Lyft blog of the participants who spread the most touching

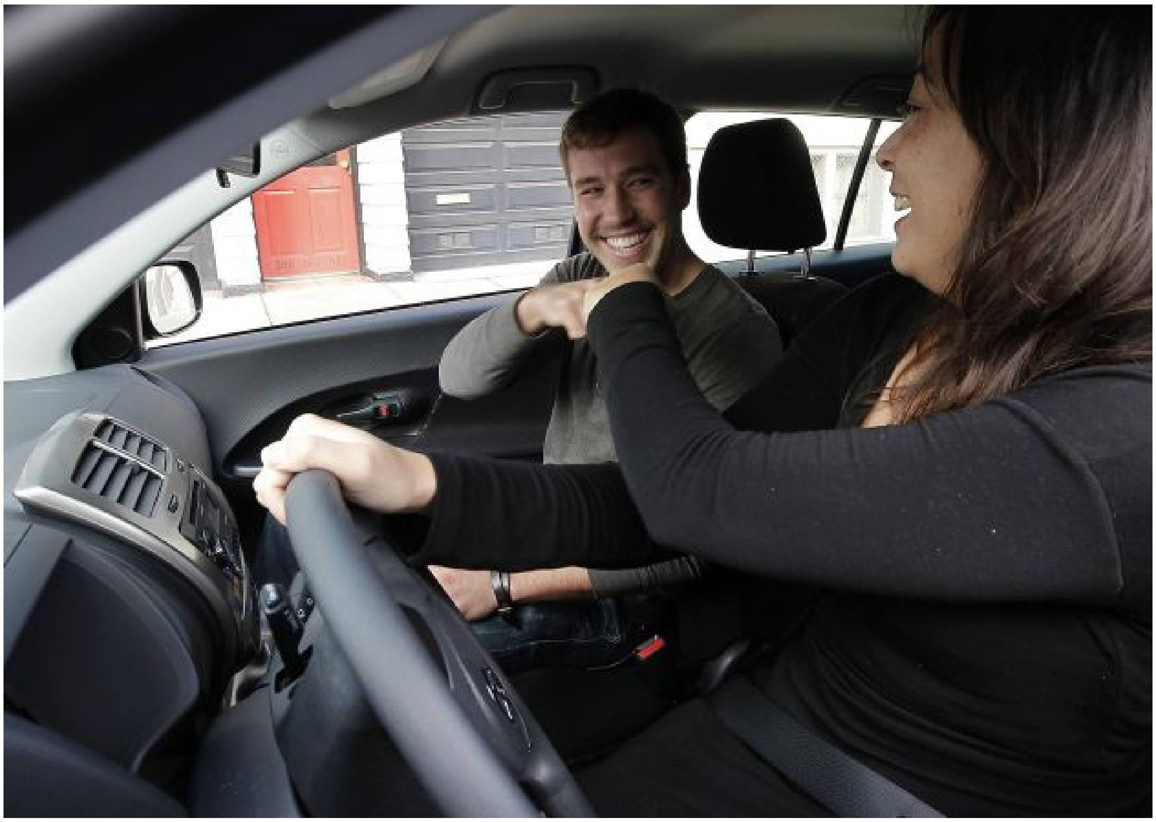
#LyftLove. By commoditizing ideas attributed to Rachel Botsman and Roo Rodgers' definition of Collaborative Consumption, Lyft is able to run a highly profitable business.

By branding the virtues of kindness and love as #LyftLove, the company has also created the aura of safety. The aura is not that Lyft is an unsafe company pretending to be safe, but rather that the company generalizes how safe it is; it completely ignores the fact that there is always risk associated with getting into a strangers car. Rather than portraying that the company uses safety features to reduce the risk factor involved with using the ridesharing service, Lyft portrays itself as a company where nothing ever goes wrong and every ride is safe, fun, full of love, and will provide you with a great story. I felt much safer using Lyft after watching Lyft participants exchange gifts and hugs during the Valentine's Day promotion. I assumed that all Lyft interactions are characterized by #LyftLove and therefore assumed that the whole company was safe. However, on one Lyft ride in Los Angeles, my driver got lost and became incredibly frustrated. She became closed off and did not want to talk to me when she took a wrong turn that put us on the wrong freeway; she made it seem like it was my fault that we were lost. Whether or not my driver thought this, I was not feeling the warm and fuzzy #LyftLove that I am sure the company wanted me to experience. If fact, I felt fear that maybe the driver would kick me out and leave me on the streets of Los Angeles to find my own way home. I no longer wanted to be in the Lyft car and certainly did not want to give the driver a donation when the rideshare ended. While I was not in any immediate danger, the fact that thoughts of animosity, fear, and desire to stop the rideshare crossed my mind, go against everything that Lyft markets. The atmosphere of safety that Lyft creates through using language like 'warm hearts' and #LyftLove does more than make people feel safe; it makes people open up and therefore become more likely to share and pay. The second I felt uncomfortable with my lost driver, I did not want to share the ride any longer and certainly did not want to pay the driver any more than I had to when the ride was over. This shows that as long as Lyft is perceived as safe and trustworthy, the ridesharing company will remain profitable because people want to share with companies that promote ideas and values like friendship and kindness.

Another small way that Lyft encourages friendliness is by asking that when passengers get into a Lyft car, the driver and passenger greet each other with a fist-bump (Lyft, 2014). While seemingly insignificant, the fist-bump is a symbol of friendship among young Americans and one would normally reserve this gesture just for friends. By using a fist-bump as the opening greeting, Lyft drivers are creating an atmosphere of kindness and showing the Lyfter that they are a friend. Outside of social media, the fist-bump creates a sense of trust for both parties involved in the rideshare. Lyft claims that this simple gesture immediately separates them from a cab service and helps instigate friendly banter (Lyft, 2014). The conversation in the ride is perhaps the most important aspect as this is what Lyft drivers attribute to higher ratings. Having a friendly atmosphere in the car during the ride increases feelings of safety.

Here is an image showing Lyfters giving each other a fist bump.

Figure 1



Lyft's main webpage does not have an easy-access tab to an 'about' page if someone was looking for the history of the company, but they do have a very visible 'safety' tab. Lyft uses several precautions to ensure the safety of Lyfters. Background checks are conducted on all drivers and if any red flags are brought up they cannot be a driver. A driving record check is also conducted with specific requirements such as a minimum age limit, proper insurance coverage, minor traffic violation history, and criminal driving history. Lyft also boasts a one million dollar excess liability insurance, regular vehicle inspections and a zero-tolerance drug and alcohol policy. Finally, the Lyft rating system is a vital instrument regarding safety. Safety is one of the categories each Lyfter rates after a ride and if the driver ever receives below a 4 star rating for safety, then the Lyfter who gave the rating is never matched with the driver again. If the driver's average safety rating drops below 4.5 stars then they are "removed from the Lyft community" (Lyft, 2014).

This last safety feature is dictated exclusively by Lyfters, which is a powerful move on behalf of Lyft. The other safety features allow a person to work for Lyft as a driver, but the final safety feature allows them to stay employed by Lyft. The staying power of employment with this company is out of Lyft's hands and is handed over to the Lyfters themselves. This creates a new sphere of trust because ratings are the main deciding factor if a Lyfter will pick a certain driver or not. If the ratings are good and a driver is picked, this shows that the Lyfter trusts not only the driver, but also the other Lyfters who have rated this driver before.

By creating extensive safety features, ridesharing services are acknowledging that there is apprehension around who to trust within this sharing space. The safety features do not eradicate distrust of strangers, but rather, they work along side it. The ridesharing companies are not trying to demonstrate that all strangers can be trusted, they are showing that through their company one can use the provided safety measures to trust and even develop a relationship with a stranger who is part of the sharing economy.

When Freddie first mentioned that people are the most important aspect of the sharing economy, I did not understand the depths of what he meant by this. As our interview evolved, however, he showed me that people really are at the root of peer-to-peer consumption because they encompass safety, trust, and the identity of the company, which Lyft and Carsurfing alike hope motivates people to use their ridesharing service. Just as in any business, people also are the source of money and income, but the Carsurfing CEO Freddie was less talkative about the profit aspect of his company. I asked, "So, if Carsurfing is like Couchsurfing but for rides, is Carsurfing free?" Freddie quickly stated, "No, no. There is a fee 'cause otherwise how would we be a company? I mean, to do good in the world you need to have money that's just part of it." Carsurfing charges a one dollar pick-up fee and then twenty cents a mile, with varying rural and urban rates depending on the commute. The discussion with Freddie on the importance of people hits on an open wound for profit making companies in the sharing economy. People and community are advertised as most important, with environmental concerns also addressed. The shy undertone to people being the most important aspect is that they bring in the money. No one wants to talk about how companies like Lyft and Carsurfing are profiting from Collaborative Consumption, but these companies themselves love to talk about how they make everyone else richer in both experience and in their wallets.

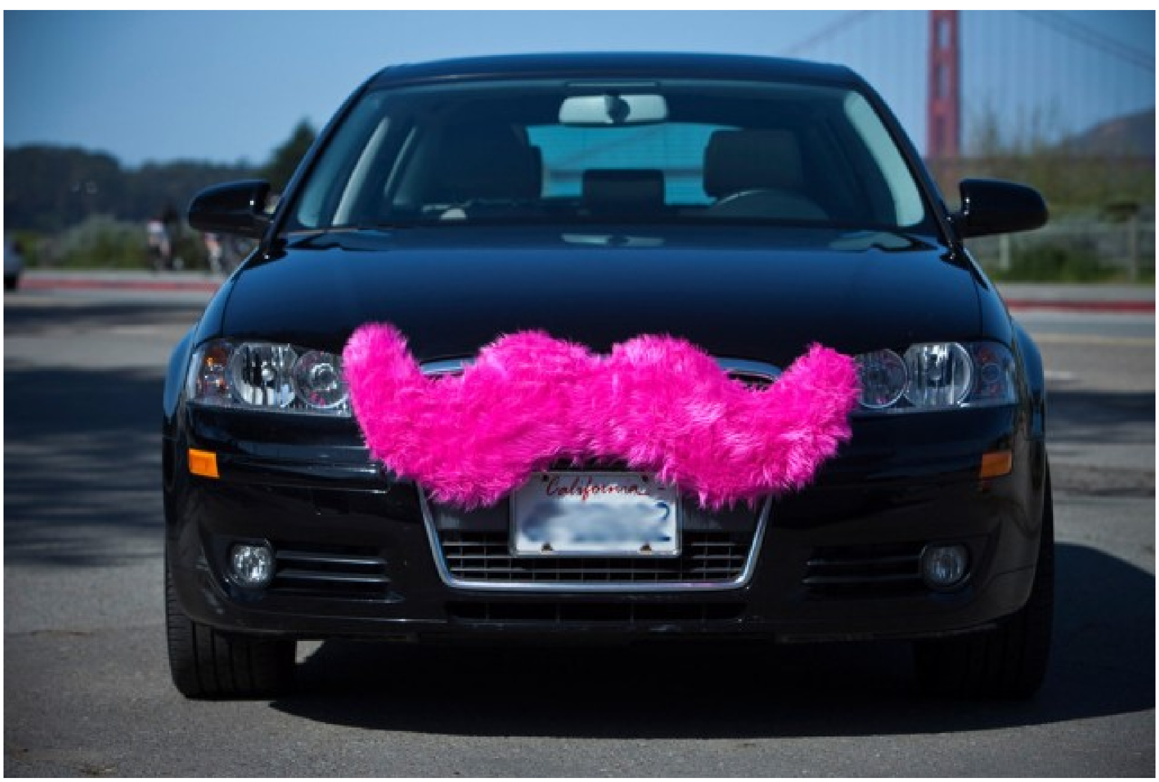
Thus far I have presented how vital trust and safety are to ridesharing companies and how this in turn encourages people to use their services. I also exposed some difficult tensions between the Collaborative Consumption ideal of people first and the capitalist business model of profit maximization. Freddie demonstrated how the Three P's motivate ridesharing services with an emphasis on people and planet over profit. Lyft and Carsurfing show how ridesharing companies are trying to motivate people to use the peer-to-peer services instead of a taxi company through added safety features along with friendliness, coolness, or #LyftLove. These features are important to examine because they show how important trust and identity are in the sharing economy. This operates on two levels because the companies themselves have developed strong identities to garner more trust from people both inside and outside the sharing economy community. Individual employees are using their own identities, such as using the fist-bump, to encompass what it means to be a trustworthy person and therefore accumulate higher ratings leading to more business.

Perhaps the most important aspect of consumer desires that ridesharing services believe they have tapped into, is the idea that users want to have a social ridesharing experience. The main factor that my interlocutor Freddie pointed out when asked how ridesharing services are different from taxi services is that ridesharing services are a social experience that allow you to develop a relationship with the person who is driving you. This social aspect is where Lyft and Carsurfing differ. When I asked how Carsurfing was different from Lyft Freddie responded by saying,

> I'm trying to do something good. Lyft is too, but they are gay. I'm old so I don't mean that in a homosexual way, I mean they are kind of lame. Their advertising is lame, I mean what's up with that pink moustache? What they are doing is great but what it comes down to is that they are a bunch of nerds with no social skills and they don't know how to market or talk to people. They don't get people. They are missing out on how to communicate with people. If you wanna go use Lyft, fine, but my company is better because my friends are cooler. It's like, who do you want to hang out with more?

Identity is not only important from a safety aspect, but it is vital from a marketing standpoint. Lyft has created the pink moustache that has become a symbol for ridesharing in many major American cities; see the picture below for reference of what this moustache looks like on a car.

Figure 2



The moustache resembles a smile and is pink and fuzzy; it doesn't get friendlier than that. Remember the Lyft Valentine's Day promotion? The company turned its identity into a hashtag (#LyftLove) and then used participants' acts of #LyftLove in a video to visually demonstrate their kind and friendly identity. Lyft is not concerned with matching individual drivers and Lyfters on common interests, they simply match based on location. Carsurfing is developing algorithms that analyze the participants' social media and match riders with drivers who have common interests. Freddie mentioned with a laugh that it sounded a bit like a dating service, which it could be if that's what you wanted.

Lyft's marketing identity is based on friendliness. The light pink and green company colors were chosen because they looked 'friendly'. Every aspect of this company operates on the foundational belief that there is a huge market for Americans who want to have a friendly interaction while being transported from point A to point B. Carsurfing takes this desire for a social rideshare to another level and doesn't just create a friendly atmosphere where a friendship may or may not be born, but it ensures that the person who picks you up will have things in common with you. When requesting a Lyft, one can expect a friendly person to show up and to be treated with kindness, but when requesting a Carsurfer to show up, one can expect a person with many similar interests to show up. The idea is that a connection will form faster and the relationship will be deeper, whether it is a friendship or something more. Since Carsurfing is not completely off the ground yet, it is hard to see if this will work the way it is intended or not. However, both Lyft and Carsurfing are promoting strong company identities to garner more users and drivers alike. Freddie believes that the successful company will be the one who is perceived as more 'popular' or having the 'cooler' drivers.

Trust and Identity

If it was not already clear, people are of the utmost importance when it comes to ridesharing. Since my interlocutors all voiced their own distrust of strangers, I am assuming many Americans feel a similar distrust. This means trust must be established between the company, the drivers, and the users. Safety features are the main avenue for establishing this trust. An inadvertent, but incredibly important aspect of trust and safety is developing a friendly and therefore trustworthy identity. Both companies and drivers alike try to develop trustworthy identities to motivate riders to use their company.

The main difference in ridesharing companies is what identity they choose to pursue. In my two examples, Lyft portrays itself as a friendly and welcoming rideshare, while Carsurfing hopes to portray itself as a cool, hip, and more intimate service. Trust, safety, and identity are three vital themes for the success and functionality of ridesharing services. These themes all fit under the umbrella assumption that Americans want to have a social ridesharing experience. Without this desire, there is no opening in the market for Lyft of Carsurfing. However, there is a huge market for the sharing economy because people do want a social experience. People want to share their resources and people want to be social. It is a reciprocal relationship; people keep ridesharing companies in business, and ridesharing companies keep people connected. I aim to open the discussion that Lyft and Carsurfing are using Collaborative Consumption ideas and sentiments to promote their place in the sharing economy. It is easy to forget that these companies are a hybrid of capitalist-profit seeking- enterprise and anti-corporation-community strengthening organizations, especially when the only part that is highlighted is the latter. But this is what makes them different; these companies are advertising the hole that they fill in the American economy. What molds the sharing economy business platform is creating trust between strangers and an atmosphere that stimulates social interaction. Using ideas of Collaborative Consumption to orchestrate their business models allows Lyft and Carsurfing to fill a void in the transportation industry.

The Consumer

In the previous section I proposed that Lyft and Carsurfing operate on the assumption that people want a social experience when being transported from point A to point B. I asked members of the Lyft and sharing economy community what motivated them to use sharing companies and the following section is an analysis of their answers.

> Jessica: I use Lyft all the time. It is impossible to get a cab in LA. Even when they say they are coming they sometimes don't show up. Lyft is safer, cheaper, I can like track them and I know they are coming in literally five minutes and it is interesting to meet new people. I like it 'cause it's cheap though, cheap and easy.
>
> Carmen: I use Lyft to and from LAX. I live maybe two miles away from LAX and I don't know if it's the airport or the taxis, but if I take a taxi I am charged 17 extra dollars as an airport fee. With Lyft I can just press a button and hop in and not worry about the extra 17 dollars for a two-mile ride.

What first struck me when I began asking Lyfters why they used the company, was the similarity of their answers. The main reason consumers choose Lyft is because of convenience and price as demonstrated by Jessica and Carmen above. Jessica does hit on some of the main reasons that ridesharing services started, and some of the themes their marketing emphasizes. This includes aspects of safety, and the inevitability of meeting new people. However a pervasive theme in our interview was that she uses Lyft because it is more reliable and easier to use than a taxi service, and much, much cheaper. Carmen uses Lyft because it is convenient. Convenience can be broken down in two ways here, not only is it easy to use but it is cheaper. This embodies the consumer's definition of profit in regard to the Three P's: the consumer is saving both money and time because as Carmen said, paying seventeen extra dollars for a two-mile ride and waiting for that ride is a huge inconvenience. When I asked, "When did you start using Lyft and why?" the 27 year-old Californian John answered,

> I've been using Lyft for about a year. So basically, I used to live in San Fran and would pregame the bars and I didn't want to walk there in bad weather. My roommate heard of Lyft from a friend and instead of

> waiting on the street to hail a cab, which you can't do 'cause everyone around you is doing the same thing, and I mean all the cabs are taken anyways—Lyft is there at 10pm on a weekend, it is always there and it's easy. Convenience is what got me. And the cost factor, it seems cheaper than a cab.

John's top reasons for using Lyft are convenience factors: Lyft is always there and you don't have to hail a Lyft car in the street, and it seems to be cheaper than a cab. This last point he makes is fascinating because John does not know for a fact that Lyft is cheaper than a taxicab. Perhaps something about Lyft's marketing or public persona conveys that it is inherently cheaper than a cab. Maybe users assume that because the slogan is 'Your friend with a car' it must be cheaper because your friend wouldn't ask you to overpay for a ride somewhere, or a company with this kind message would not rip you off. The fact that John believes Lyft is cheaper but does not actually know suggests that as long as users assume or believe that Lyft is cheaper, even if it is not, they will be further motivated to use the service. Lyft is cheaper than the average taxicab, but prices between the two come close during busy hours (Fowler, 2014). By portraying themselves as a sharing economy company and playing up the peer-to-peer consumption aspect, Lyft can appear to be cheaper than a taxicab even if the price difference is not large. Lyft is acting within the capitalist marketplace alongside cab companies and is portraying itself as the alternative to the big corporation. This alternative appears to be cheaper because it promotes 'hippie' ideas but in reality it is a business that is succeeding because it created a more convenient transportation model. This is important from the consumer side because these widespread ideas of what Lyft 'seems' to be and how much it 'seems' to cost, motivate the consumption of the product. I asked Kambria, another California resident and Lyft user, "What do you think of Lyft?" To which she replied,

> I think the big battle is between Lyft and Uber. Uber has this more upscale reputation and they use the idea of luxury for marketing. Lyft has a more down to earth, I don't want to say working class, but just a cheaper vibe I guess.

Kambria immediately classifies Lyft as different from its rival ridesharing service because of its public identity. Uber is a similar ridesharing service to Lyft but with options of being picked up by a black SUV or town car by a professional driver. These fancier options are offered at a higher price but UberX (the option of being picked up in a regular car) and Lyft are relatively similar. Loyalists to one ridesharing service or the other would want me to delve into how exactly they are different but what is relevant here is to note how they are different in outward appearance. The native apps themselves are a stark contrast. Uber boasts a black and silver color scheme with sharp black and white pictures of business people. Instead of typing in your credit card information, the app takes a picture of your credit card and inputs all the necessary information for you. Lyft opens with a pink balloon carrying a car and then shows a map with all available Lyft's in the ride-requester's proximity. The power of color alone gives impressions from first tap on a smartphone with Lyft being the more laidback and therefore cheaper of the two. Price comparisons from The Wall Street Journal show that prices between UberX, Lyft, and a regular cab depend on the city and time that you use them. For example, in Washington, D.C. both a taxi and UberX cost $8.90 while Lyft cost $15.00 and in New York a taxi cost $9.50 while UberX cost $39.00 (Fowler, 2014). When discussing his data Fowler (2014) says, "Some rides were three or even four times as expensive as a cab… Lyft came in second according to price, costing just a bit more than a taxi, not including tips." My interlocutors are motivated to use Lyft because it is cost-effective and Lyft's advertising and identity conveys that it is the cheaper and easier option, even though in reality it is often not the cheapest option. Here, people are interpreting Lyft's identity in a completely different way than discussed in the previous section. While there is mention that Lyft is a social and friendly company, my interlocutors mostly remark on how cheap and easy it is. The ease cannot be denied, but my interlocutors do not know that Lyft is frequently not the cheapest car ride; they have inferred that from the identity of the company. This is not a bad thing; it just shows that Lyft's marketing is working. A quick Google search can show you what the cheapest transportation options are in certain areas. But it is inconvenient to get online and search for this information, when you could just tap your smartphone and know that a seemingly inexpensive ride will show up in minutes.

Marketing and public perceptions of Lyft do play a role in why people are motivated to use the company. The ridesharing services focus on the Three P's in the order of people first, planet second, and profit third. My interlocutors put profit first: profit of either time or money or both. By using

Lyft and Carsurfing, customers are keeping more money in their pockets and are spending less time waiting around for taxicabs to arrive. This means that there is a gap between what ridesharing services *think* the consumer wants, and the *reality* of what the consumer wants: but it does not matter. Ridesharing companies assume that their consumers want to meet other people and that they want to do something beneficial for the environment. These two assumptions are not wrong: people do want these things. But before people and planet, consumers want the convenience. Ridesharing companies have gone to great lengths to develop safety and identity, which are vital parts of peer-to-peer consumption, but perhaps these qualities are superseded by convenience. Would these companies have the same popularity and success if they marketed themselves without the people and planet aspects? Using ideas of Collaborative Consumption have provided sharing economy companies with a unique voice that has made them popular. This combined with the use of technology has also opened up a place for sharing economy companies in the transportation industry.

Ridesharing services can be significantly cheaper than taxi services during off hours, but this fact is not used in advertising. When watching TV, almost every advertisement brags about low prices. Lyft does not use this marketing technique; perhaps because they are only cheaper than taxis during low traffic times such as Sunday mornings and then are more expensive during busy hours such as Friday nights. Rather than discussing money in their advertisements, Lyft is very forceful in showing off the fact that they are a friendly and social ridesharing company. I think Lyft would still be popular if it based its identity on the sparse 'cheap' hours, however it would have a different clientele. Mostly young professionals aged 22 to about 35 are the people utilizing ridesharing services. The mentality of caring about relationships and the planet influence these people, and are what make ridesharing 'hip' or 'cool'. However, this age group also cares greatly about saving and making money. Perhaps the economic crash in 2008 is an explanation for the emphasis that is placed on money, or perhaps being raised in capitalist America is the reason. Nonetheless, my interlocutors are concerned with all Three P's; just in a different order. This is a large reason as to why ridesharing services have gained such popularity so quickly. They are cheaper while also using the Collaborative Consumption identity to create the identity that they are moral and friendly. Sharing economy companies are motivating users to participate by combining Collaborative Consumption ideas with the convenience that capitalist business models provide.

Final Thoughts

Botsman and Rodgers argue that we are in the midst of an economic revolution (Botsman & Rodgers, 2010). Rachel Botsman's Ted Talk that she gave in Sydney, Australia in 2010 is perhaps the most convincing. She proclaims,

> I believe we are actually in a period where we are waking up from this humongous hangover of emptiness and waste and we are taking a leap to create a more sustainable system built to serve our innate needs for community and individual identity. I believe it will be referred to as a revolution, so to speak. When society faced with great challenges made a seismic shift from individual getting and spending towards a rediscovery of collective good. [Botsman, 2010]

What activists like Botsman and Rodgers are claiming is not that the sharing economy will solve America's economic problems, but that Collaborative Consumption is the solution. Close analysis of the sharing economy shows that it is not exercising pure Collaborative Consumption, but rather, it is using Collaborative Consumption ideas to both promote social values for better communities and to turn a profit. The issue here is not that companies like Lyft are using Collaborative Consumption ideas to enhance their businesses; it is that the terms sharing economy and Collaborative Consumption appear synonymous. Since there are no concrete definitions for these terms other than what Botsman and Rodgers (2010) toss around in their book and in online articles, one must be analytical and interrogative when planning to use sharing economy companies for strengthening communities and therefore bettering America.

At first glance, sharing economy companies such as Lyft and Peers seem to exist for the sole intention of promoting social values of kindness, community building, and love for all; values I have designated as part of the Collaborative Consumption ideas. However, a closer look reveals that sharing economy companies are occupying an economic grey area that lies between American capitalism and an alternative economy.

When the sharing economy was proposed as a sustainable 'alternative' economy to capitalism, critique and controversy broke out. I do not argue that the sharing economy will or will not solve America's economic problems, but I do state that there is a difference between the sharing economy and Collaborative Consumption. By analyzing the context in which the sharing economy surfaced and the current discourse on the subject, one can see the immanent relevance of the sharing economy here and now in the United States. This provided the groundwork for exploring the complex issue of defining 'economy'. By looking at other economies, forms of exchange, and how classical anthropologists and economists such as Adam Smith, Marcel Mauss, and Bronislaw Malinowski have studied such phenomena, I showed the layers of complication involved in the sharing economy. The social values that sharing economies promote both solidify and put into question its position as an 'alternative' economy. While companies such as Lyft are promoting Collaborative Consumption ideas associated with an alternative culture to capitalist America, customers are motivated to use such companies precisely because they embody the convenience promoted by the capitalist business model combined with an opportunity to live out the social values of kindness, community building, and even helping the environment.

By opening up the topic of the sharing economy, my thesis expands the understanding of a new form of consumerism in America. The sharing economy is practicing the market economy in a new and innovative way; whether or not it is a viable solution to the issues raised by capitalism is not something this thesis wishes to prove. However as scholar Hann eloquently writes in the book *Human Economy,* "we need to be continuously alert to the fact that the very same norms which underpin resistance to the market and to rapacious power holders may also have repressive, destructive potential"(Hann, 2010, p. 197). By occupying the space of economic anthropology and the sharing economy, my thesis alerts the reader that the sharing economy is neither purely capitalist enterprise nor a complete practice of Collaborative Consumption: the sharing economy is a hybrid.

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Figure 1:

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Figure 2:

Carstache.com. 2013. [*Car with a pink moustache*.] (Photograph) Retrieved from www.carstache.com