

BLOG POST July 13th 2016

Does the sustainable collaborative economy exist?

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🕒 Reading time: 4 min



With flagships like Uber and Airbnb, the collaborative economy can be frightening: it could trigger a complete deregulation of the economy and a reappraisal of European social models. However, it also holds hope and promise, especially for social and environmental issues, as discussed during the conference organised by IDDRI on June 23, 2016. Is the collaborative economy living up to its promise? Can it do so in the future? What role should public policy makers play?

From promise to impacts: a glass half full

The collaborative economy is emerging as a “catch-all” of innovations with very different economic models, and of innovators with a variety of political visions and motivations: for some, the core of their approach is creating social ties and reducing the environmental footprint of our production and consumption model. The collaborative economy is often presented as a response to the under-use of the goods we produce, of our intangible capital—our knowledge—but also our tangible capital—household goods, housing, cars, etc. The [PICO project \(Pionniers du Collaboratif – Collaborative economy pioneers\)](#) explored these promises, focusing on the collaborative economy for material goods: collaborative production in FabLabs, Repair Cafés and Techshops; collaborative consumption of goods on peer-to-peer marketplaces and renting, borrowing and gifting platforms. This 18-month research project—conducted by IDDRI in collaboration with ESCP-Europe, the Universities of Paris Sud and Paris Dauphine, Ouishare and Zero Waste France, and financed by the French Ministry of the Environment and MAIF—has produced some surprising results. These were discussed during a [conference](#) organised by IDDRI on the convergence of the digital and ecological transitions, [collaborative mobility](#) and [crowdsourcing](#).

Can the collaborative economy foster the ecological transition and social ties?

By focusing on collaborative consumption platforms, the PICO project and the speakers at the conference of June 23 demonstrated that for environmental issues, the glass can be seen as either half full or half empty.

- The glass is half empty: some rebound effects reduce environmental gains or in some cases may even cancel them out. For example, compulsive buying behaviour can be seen on LeBonCoin, and is paradoxically more common in consumers who are sensitive to environmental issues!
- The glass is half full: despite these rebound effects, the balance appears to be interesting for many platforms, especially when they take into account these rebound effects, in particular the journeys generated when users go to pick up their goods, which may involve lengthy trips in private cars.

From impacts to conditions for improvement: the role of the public authorities... and of innovators

So is the glass half full or half empty? It is pointless trying to decide, or to determine the real impact of each platform, of each collaborative model—even if there were intense discussions on this question during the conference. What we believe to be important, however, is identifying the conditions for increasing collaborative economy sustainability, conditions that directly pave the way for action: by entrepreneurs, to increase the environmental and social sustainability of their platforms; and by public policy makers, to support and direct sustainable innovation within the collaborative economy.

Support from public policy makers is expected

Action is now expected from public policy makers, both national and local. Without their support, collaborative economy models that demonstrate sustainability will not—or at least not all—enjoy the popular success of the collaborative flagships such as Airbnb. There are serious development issues: whether peer-to-peer giveaway platforms, in particular, are run by associations or companies, their “market” is difficult to conquer. And, as shown by the PICO project or the heated debates between the conference’s speakers, the relationship between innovators and public policy makers remains difficult, with the latter wanting to fully understand the impact of the collaborative

economy before acting, while highlighting their innovation support policies, and the former criticising the mismatch between these policies and their needs.

We see this as a call to the public authorities: a call to preserve their critical thinking and to steer it towards increasing collaborative economy sustainability, while recognising that this heterogeneous catch-all contains innovations that provide new solutions for sustainable development, and innovators who wish to collaborate with them. A key challenge for the public authorities will be developing complementarities between new collaborative economy offerings and those already provided by the public services or their traditional partners, such as waste disposal or the re-use sector, embodied by Emmaüs. Public policy makers, enhance your public services through the collaborative economy: ultimately, this is the [message of the PICO project](#).

The collaborative economy as a challenge for innovators

Using the multitude of innovations found within the collaborative economy to support sustainable development is also—and some would say above all—a challenge for innovators themselves and for groups of innovators, whether structures like Ouishare in France or the unions of collaborative entrepreneurs that are beginning to emerge, such as the UK Sharing Coalition or the EU Sharing Economy Coalition.

Better understanding the impact of the collaborative economy is an essential first step, and studies like PICO clarify these impacts and propose sources of improvement for entrepreneurs. These may be adopted by collaborative entrepreneurs who integrate environmental and social concerns into their action in order to steer innovation. But this is clearly not the case for all concerned. Constructive criticism and “external” pressure from environmental associations, social and solidarity economy (SSE) stakeholders or unions could prompt them to adapt their services or to develop proposals and alliances when they share the same values. There is a dividing line within the collaborative economy and different, sometimes incompatible political visions coexist. The convergence of the digital and ecological transitions is a political challenge that is accompanied by inevitable power struggles.