



# The Sharing Economy as Primitive Accumulation: Locating the Political-Economic Position of the Capital-Extractive Sharing Economy

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There has been much debate in the columns of newspapers as to how we should understand the sharing economy, but as yet, much of the debate is largely superficial, garnering little attention in terms of rigorous academic analysis. In this paper, I argue that the rise of the capital-extractive sharing economy model employed by companies like Uber and Airbnb cannot be understood outside of the political-economic context from which it emerges. Drawing on the work of Marxist scholars like David Harvey, I analyze such models through the lens of primitive accumulation, positioning their development as positive evidence of Harvey's theory that capitalism seeks to colonize new spheres of social life in order to offload the tensions of its own internal conflicts; in this case, labour market insecurity. Further, I argue that the rise of the capital-extractive sharing economy should be recognized as constituting a further entrenchment of the global neoliberal project, particularly as it stands to affect union organizing, force deregulation in favour of free market fundamentals, and further deepen the labour market insecurity from which it rises in the first place.

## Introduction

On Friday, December 4, 2015, taxi drivers in the city of Toronto moved inside City Hall following the end of a hunger strike at Nathan Phillips Square, demonstrating against the continued operations of Uber within the city—which they describe as being in violation of city by-laws—and renewing calls for the City to act.<sup>1</sup> The demonstration was just the latest salvo in the global pushback against Uber's inability or unwillingness to act within the confines of existing regulatory frameworks. This pushback has resulted in the banning of

Uber's services in several jurisdictions.<sup>2</sup> Those services are not just in conflict with regulatory regimes; they are representative of some of the profound political-economic changes occurring in many late-capitalist jurisdictions with respect to the nature of work and the relationship between capital and workers. These changes are central to the emergence of what has been called the "sharing economy," and it is this model with which this essay is concerned.

The sharing economy—a relatively recent development of late-capitalist social relations—has elicited rather little in terms of rigorous academic analysis. All but absent from the pages of peer-reviewed, scholarly journals, the debate over the political-economic position of the sharing economy has been largely superficial in nature. It has primarily taken place on both social and, more conventional, news media platforms, eluding proper analysis of an academic nature. Such superficial analyses have tended to focus on the surface-level conflicts between the businesses that operate under a sharing economy model and the union activities and government regulations they undercut,<sup>3</sup> or the apparent demand for flexible work that such enterprises ultimately aim to exploit,<sup>4</sup> without ever critically engaging with the structural and historical sources of the models themselves. The opinions espoused in popular news sources vary widely, from those that view the sharing economy as "hyper capitalism,"<sup>5</sup> to those describing it as "one step on the route to communism,"<sup>6</sup> and even those suggesting that it is merely an amalgam of the two.<sup>7</sup> How we choose to understand the political-economic position of the sharing economy model will directly affect how society ultimately deals with its emergence politically, and so determining that position by way of a critical analysis is vital. It is that determination which this essay seeks to undertake.

First, I will define the specific form of the sharing economy with which this essay is concerned. Broad and expansive pop-cultural definitions simply preclude a rigorous academic analysis in a paper of this length, and so a more specific definition must be developed. In fact, some proponents of the sharing economy define it so broadly as to include activities like recycling.<sup>8</sup> As this paper is primarily concerned with the relationship between the emergence of the sharing economy and the changing nature of work, such a wide definition of the concept is simply unworkable. For this reason, this paper will more narrowly define the sharing economy as a model whereby capital is generated from the ownership of a platform on which re-commodified property is exchanged. This includes the activities of enterprises such as Uber and Airbnb, but not, for example, peer-to-peer lending or the activities of crowdfunding platforms like Kickstarter.

Second, I will argue in favour of a critical, class-historical analysis of the sharing economy as defined in this essay in more detail. I will show that the sharing economy emerges in a particular historical moment as the type of problem-solving approach of which academics like Robert Cox have been critical,<sup>9</sup> and argue for the type of critical analysis that can effectively capture the structural causes of the problems which the sharing economy serves to address; specifically, cost-reduction and flexible work. Further, I will argue that the structural cause of those problems is the particular class-historical context from which they have emerged: the global neoliberal project. It needs to be recognized that the demand for cost-reduction and flexible work that has birthed this sharing economy model is not some fixed property of the human condition, but rather a consequence of the economic insecurity that has come to typify the neoliberal era. It also needs to be recognized that the global neoliberal project is a stage in the development of capitalism. Understanding some Marxist concepts like "primitive accumulation" and the Trotskyian theory of uneven and combined

development will therefore be vital to properly identifying the political-economic position of the sharing economy within the context of late-capitalist development.

All of this will lay the foundation for what will be the bulk of the actual analytical work of this essay. I will begin by highlighting some of the structural elements of the global neoliberal project—pervasive forms of economic insecurity, declining union density and strength, deregulation, and fiscal retrenchment—being as thorough as possible without delving too far into superfluous detail. There are likely many more elements of the global neoliberal project that are simply not immediately relevant to the development of the sharing economy, and so I will waste no space describing them in any great detail. Once the specific ideal-typical form of the sharing economy that I seek to critically analyze has been clearly defined, the framework for such an analysis has been established, and the pertinent details of the class-historical context in which the sharing economy emerges have been laid out, I will delve into my analysis. This will be two-fold. First, I will analyze the extent to which the emergence of the sharing economy has involved the exploitation of class-specific insecurities. Second, I will show that the sharing economy not only emerges from those elements of the global neoliberal project, but that it serves to further extend them, both by further undermining union density, and by further promoting fiscal retrenchment. Ultimately, I will advance the argument that the sharing economy is best understood as a further extension of the global neoliberal project, both because it emerges from the discrete conditions of the neoliberal era, and because it serves to further entrench those conditions.

## Defining the Sharing Economy

Developing a definition of the sharing economy, specifically as it relates to the changing nature of work, is the first task that needs to be addressed. The term has been used interchangeably with terms such as “collaborative consumption” and “the peer-to-peer economy,” and has been described by The People Who Share—a social movement built around advocacy for the sharing economy—as follows:

The Sharing Economy encompasses the following aspects: swapping, exchanging, collective purchasing, collaborative consumption, shared ownership, shared value, co-operatives, co-creation, recycling, upcycling, re-distribution, trading used goods, renting, borrowing, lending, subscription based models, peer-to-peer, collaborative economy, circular economy, pay-as-you-use economy, wikinomics, peer-to-peer lending, micro financing, micro-entrepreneurship, social media, the Mesh, social enterprise, futurology, crowdfunding, crowdsourcing, cradle-to-cradle, open source, open data, user generated content (UGC).<sup>10</sup>

This definition clearly includes a number of transactions and exchanges which have nothing to do with the changing nature of work, or of the relationship between capital and workers, and so we need to set these activities to the side if only because they are not capital-extractive. There are several elements that are central to the capital-extractive form of the sharing economy with which this essay is concerned, and which are well-described in a

piece on the sharing economy that appeared in the magazine *The Economist*. Specifically, Rachel Botsman, the author cited in the piece, makes several distinctions between what we should understand to be the sharing economy—which involves the rental of underused assets between people—and other commonly suggested forms, such as peer-to-peer lending and the sale of excess electrical power back to the grid.<sup>11</sup> Botsman also suggests that cars and accommodation are the two assets most commonly exchanged in this fashion, and so a tighter working definition can be developed by looking more specifically at the operations of two of the main sharing economy enterprises: Uber and Airbnb.

In both cases, the means of production—both the fixed capital and the wage-labour—are largely not owned or purchased by the enterprises themselves, but rather by the users of the platforms.<sup>12</sup> This difference in the nature of capital ownership marks a shift in the capitalist mode of production, which I will return to in greater detail, but it is important to note at this point that this type of ownership structure is a unique component of the capital-extractive sharing economy, and therefore a vital part of the working definition used herein. Specifically in the case of Uber, its drivers are not classified as employees, but rather independent contractors, allowing the company to save on labour costs<sup>13</sup> while still extracting value from the labour of those workers. On June 17, 2015, the California Labor Commission ruled that Uber's drivers were indeed employees, but, as Uber pointed out in a statement following the ruling, this was contrary to the determination made not only in a previous decision by the same Commission, but also in decisions made in five other states.<sup>14</sup> Suffice it to say that, regardless of any of these rulings one way or another, the informal nature of this particular wage-labour relationship forms an important component of the definition of the sharing economy used in this paper.

It should be made clear here that my aim is to develop an ideal-typical model of the capital-extractive sharing economy that can be understood in the specific class-historical context from which it emerges. As such, the subsequent analysis derived from the use of this ideal-typical model will only hold explanatory to the extent that any actual model resembles it. If, for example, Uber was to recognize its drivers as employees rather than as independent contractors, the extent to which it could be defined as belonging to the sharing economy, and thereby, that its practices could be analyzed within the confines of the particular analytic framework used in this paper would be diminished.

To summarize, the sharing economy as studied in this essay will be defined as the economic model which allows for the extraction of surplus value from the labour of workers without requiring the purchase or ownership of any of the primary means of production, including fixed capital and wage-labour. It is important to note that it is the primary means of production with which this essay is concerned, as most if not all companies in the sharing economy do own fixed capital. These companies have head offices and related equipment, and employ regular workers therein under the conventional wage-labour paradigm, but much of the surplus value extracted is produced by capital that these companies themselves do not own.

## Critical Approaches and the Development of Capitalism

The added explanatory power of critical approaches as compared to “problem-solving theories” in the Coxian sense may almost be taken as a given. For Cox, recognizing the structure of society as not only changing, but as a potential source for the conflicts or contradictions being studied, lends to critical theories a power of exposition that is simply lacking when those structural causes are not taken into account.<sup>15</sup> In the case of the sharing economy, taking stock of social structures as potential sources of the problems the model serves to address—chiefly, cost reduction and the demand for flexible work—is crucial. It is simply not enough to recognize that the sharing economy serves the demand for flexible work; we must seek to understand where that demand is coming from. It is also essential to recognize that those social structures, which may or may not have given rise to the sharing economy, are themselves historically bound. For Cox, one benefit to the use of more critical approaches is that they are historically-sensitive, taking into account the changing nature of reality.<sup>16</sup> Not only does the failure to recognize historical-specificity limit our ability to analytically engage in a comprehensive and truthful way with an ever-changing world, the acceptance of solutions to problems which fail to account in any meaningful way for the structural sources of those problems merely masks them, further entrenching rather than eliminating them. This is what Cox identifies as the conservative bias in problem-solving theory,<sup>17</sup> and it is an analytical limitation that the emergence of the sharing economy requires that we avoid. To that end, Cox argues that the critical theory of historical-materialism is particularly useful should we hope to understand the present global neoliberal project, because it is this version of Marxist thought that Cox suggests “reasons historically and seeks to explain, as well as promote, changes in social order.”<sup>18</sup>

For Marx, the capitalist mode of production necessarily entails the extraction of surplus value from the labour of the worker by the capitalist. He sees history as a process that arises out of the changing nature of the material conditions of this interclass conflict over time. In volume one of *Capital*, he argues that the accumulation of capital as understood through this class-analytic lens presupposes the existence of a capital-producing capital from which this surplus can be extracted, and that this presupposition constitutes a form of cyclical reasoning which can only be escaped by recognizing a process known as “primitive accumulation.”<sup>19</sup> This is a form of “accumulation not the result of the capitalist mode of production, but its starting point.”<sup>20</sup> In addition, Marx identifies primitive accumulation as “nothing else than the historical process of divorcing the producer from the means of production.”<sup>21</sup> For the purposes of this essay, it is most important to recognize that primitive accumulation as a historical process is not limited to the transition from pre-capitalist to capitalist society, but that it occurs whenever the means of subsistence are converted into the means of production from which the capitalist can extract surplus value. This point is well-elaborated by Jason Read, who argues that primitive accumulation appears to be at work not only in the pre-capitalist conditions for the emergence of capitalist society, but in the extension of capitalist social relations and the capitalist mode of production into new spaces, both geographically by way of colonialization, and socially by way of constitutive social change.<sup>22</sup> He writes: “[p]rimitive accumulation serves as the names for not only an event but a process, the expropriation and legislation necessary to destroy other economic and social relations in order to make them productive for capital.

Thus, primitive accumulation becomes not only a cause of the capitalist mode of production but its effect.”<sup>23</sup>

As the capital-extractive sharing economy involves the re-commodification of the private means of subsistence—shelter and transportation, most notably—previously secured largely through the sale of one’s labour, this understanding of primitive accumulation as the process by which capitalist society colonizes new spheres of social relation for surplus value extraction by the capitalist is of particular note for several reasons. First, it aids us in more cleanly demarcating the line between the capital-extractive sharing economy models this essay seeks to analyze, and the more community-oriented, non-capital-extractive models, by showing how they uniquely emerge as a reconfiguration of capitalism that extends, rather than restricts, the capitalist mode of production. Second, establishing that the emergence of these capital-extractive sharing economy models constitutes a form of primitive accumulation that seeks to extend capitalist social relations into new spheres of social life provides the first clue as to the political-economic position of those models. In addition, David Harvey argues that, through primitive accumulation, “the penetration of pre-existing social formations by capitalist social relations and institutional arrangements (such as rules of contract and private property arrangements)” provides a means through which capitalism can “absorb existing capital and labour surpluses.”<sup>24</sup> In this sense, primitive accumulation can be seen to operate as a process by which capitalism protects itself against internal crises, such as the chronically high unemployment and pervasive labour insecurity that typify the neoliberal era<sup>25</sup> which gives rise to the sharing economy.

It is also important to recognize the Trotskyian theory of uneven and combined development when analyzing the emergence of the sharing economy in the global context. As Trotsky argues, capitalism develops unevenly country to country, with those countries that developed capitalism inorganically—essentially all but England—skipping any number of transitory stages.<sup>26</sup> As a result, these inorganic capitalist societies built their versions of capitalism by combining existing cultural elements with only the necessary transitory advances.<sup>27</sup> These basic principles, referred to as the “laws of uneven and combined development,” recognize the historical specificity of any particular country’s capitalist development, and thereby explain the apparent differences between capitalist societies. In order to analyze the political-economic position of the sharing economy, we need to be able to account for the extensive differences in the extents to which varying capitalist jurisdictions have accepted or rejected its emergence. It is here that Trotsky’s ideas carry a great deal of importance, because the sharing economy as a development of late-capitalist, neoliberal society is marked by its own patterns of unevenness in the global context.

## The Global Neoliberal Project and the Sharing Economy

It would be no great overstatement to suggest that the era of neoliberal globalization has produced profound change in the nature of work around the world. Understanding this as the class-historical context from which the emergence of the sharing economy can ultimately be seen is essential to properly locating its political-economic position. There are several elements of the global neoliberal project that are of particular concern when studying the changing nature of work and the emergence of the sharing economy to which it is

related, and it is these elements that I aim to focus on in this section: rising labour market insecurity, declining union density and strength, deregulation, and fiscal retrenchment. I will move through them each one by one, analyzing their relationships to the emergence of the sharing economy, both as causes and as effects when applicable.

According to Guy Standing, the neoliberal era has led to a rise in seven different forms of labour insecurity, each of which combine to produce exactly the kind of crisis—labour surpluses—that Harvey suggests primitive accumulation serves to protect capitalism from.<sup>28</sup> First, the neoliberal erosion of the Keynesian commitment to full unemployment has led to a rise of what Standing calls “labour market insecurity.”<sup>29</sup> This led in turn to a rise in unemployment virtually everywhere on the globe, with millions of people unemployed by the turn of the new millennium—more than any other period in human history.<sup>30</sup> This rise in unemployment has also been coupled with a rise in “job insecurity,” or a loss in the sense that occupations should be stable rather than flexible,<sup>31</sup> and “skill reproduction insecurity,” the result of austerity agendas which force educational institutions to become little more than machines that churn out human capital.<sup>32</sup> The important thing to note here is that all of these forms of labour market insecurity constituted a potential crisis for capitalism. Deprived of the means of subsistence, the labouring class in capitalist society depends on wage-labour in order to facilitate social reproduction, which in turn means purchasing the commodities that the capitalists produce. Rising labour market insecurity constitutes a contradiction in this system, and it is exactly this crisis which the sharing economy takes advantage of. The sharing economy helps to soften the blow of rising economic insecurity under global neoliberalism, by providing platforms through which the economically insecure can combat the rising cost of living by reducing the total cost of their own means of subsistence, and secure additional income by re-commodifying those means of subsistence. Not only is this evidence that the sharing economy is a form of primitive accumulation—if understood as a process rather than an event—but it is also a decidedly conservative solution in that it protects capitalism from crisis, and, in the Coxian sense, in that it merely glosses over the structural causes of crisis, rather than eliminating them.

The rise in labour insecurity as a potential precondition for the emergence of the sharing economy is also important to recognize in terms of the laws of uneven and combined development. This is because the configurations of neoliberal capitalist social relations tend to vary from country to country, and as such, unemployment rates tend to vary as well (though, of course, this is not the only factor). The interesting thing to note here is that many of the countries which have banned or partially banned some sharing economy models—Germany, the Netherlands, and Australia<sup>33</sup>—were experiencing lower total unemployment rates in the first years of the 2010s—typically in the 4-7% range—than were the countries which appear to have, in a general sense, acquiesced more willingly to the rise of these models (for instance, Canada and the United States, where unemployment rates have been higher, typically 7-9%).<sup>34</sup> This is not to suggest that high unemployment rates are necessarily a direct predictor of whether or not sharing economy models will successfully emerge, but it is interesting to note the apparent correlation, as this likely reflects patterns of adherence to other politico-cultural elements of neoliberalism as well. It is accurate to say, however, that as a general rule, the jurisdictions which have more readily acquiesced to the sharing economy experience a higher rate of labour market insecurity, and it stands to reason; higher labour market insecurity should—at least theoretically—make people more willing to accept unconventional forms of labour.

Standing also documents a rise in what he calls “representation insecurity,” or the sharp decline in union density and strength over the era, which he describes as “the primary symptom of the crisis of labourism.”<sup>35</sup> This is a particularly troubling development for Standing, who describes labour movements throughout most of the twentieth century as being “vanguards of social progress.”<sup>36</sup> Declining union density and strength are the result of many factors vital to the institution of the global neoliberal project. These factors include: legislative attacks on the ability of workers to form unions, labour market insecurity and the general reduction in overall employment rates which result from it, the external requirement for labour market flexibility caused by the increasingly free movement of capital under globalization, the high costs and low benefits (in terms of dues) of organizing low wage or precarious workers, the international trend towards the decentralization of bargaining power, and waning public perception on the importance of unions due in part to a concerted ideological campaign to discredit them waged through much of the neoliberal era.<sup>37</sup>

It is in this sense that the rise of the sharing economy needs to be recognized not as emergent of the global neoliberal project, but rather as an extension of it. Much of the resistance to the rise of sharing economy models has come from within what remains of the labour movement—particularly the drivers of conventional taxis.<sup>38</sup> It has been widely reported that services such as Uber are able to offer the service for lower prices than the conventional medallion services for any number of reasons, thereby undercutting the market and threatening union density within the industry.<sup>39</sup> The emergence of the sharing economy must therefore be recognized as a potential means by which to further advance the neoliberal agenda of de-unionization. The case for a neoliberal political-economic positioning for the sharing economy seems to be substantially bolstered by this fact. Far less has been made in the media of the potential conflict between union organizing and similar sharing economy models, like that employed by Airbnb. As many conventional hotel workers also continue to enjoy the benefits of union membership,<sup>40</sup> it seems the same potential for undercutting the market and thereby advancing the neoliberal project of declining union density holds in that industry as well. Interestingly, there is at least one counter-movement seeking to pass an ordinance in Seattle that would allow for independent contractors to unionize,<sup>41</sup> but the fact that this requires an ordinance at all does more to encapsulate the contradictory relationship between the sharing economy and union organizing than anything else.

The third element of the global neoliberal project that needs to be examined in relation to the emergence of the sharing economy is that of fiscal retrenchment. This is proximately related to the rise in labour market insecurity in that it is partially the result of the precipitous decline in state intervention in the labour market in the form of employment insurance schemes following the decline of the Keynesian era.<sup>42</sup> The neoliberal preference for austerity and low taxes is further extended by the misclassification of workers that occurs in the sharing economy (though by no means exclusively). A 2015 statement issued by the United States Department of Labor identified both diminished workplace protections—minimum wage, employment insurance, workers’ compensation, etc.—for the workers, and lost tax revenues for the government as problematic outcomes of the misclassification of workers.<sup>43</sup> As stated previously, Uber’s classification of workers as independent contractors has been upheld by several regulatory bodies, but the questionable legitimacy of conferring this status on employees is largely irrelevant to the question of the political-economic position of the sharing economy model they employ. The fact is that by identifying workers



in this way, the sharing economy allows capitalists to extract surplus value from those performing the labour while avoiding forms of payroll tax and depriving those workers of certain labour protections. That this reinforces both the gradual defunding of state labour protection regimes and the subsequent protections enjoyed by workers, while also reducing the tax burden of the employer, suggests that this particular wage-labour model is in a very fundamental way an extension of the neoliberal project.

In his book, *A Brief History of Neoliberalism*, Harvey describes the neoliberal impetus to deregulate the government, writing that, within the logic of neoliberalism

Privatization and deregulation combined with competition, it is claimed, eliminate bureaucratic red tape, increase efficiency and productivity, improve quality, and reduce costs, both directly to the consumer through cheaper commodities and services and indirectly through reduction of the tax burden. The neoliberal state should persistently seek out internal reorganizations and new institutional arrangements that improve its competitive position as an entity vis-à-vis other states in the global market.<sup>44</sup>

The emergence of the sharing economy is of important note here because, after lengthy battles with regulators, some jurisdictions appear to be in the process of altering, or preparing to alter their regulatory frameworks. As of November 2015, several cities across Canada, including Toronto, Calgary, and Vancouver, appeared to be in some stage of the process of modifying regulations to accommodate Uber,<sup>45</sup> and the City of Amsterdam agreed to regulatory changes to accommodate Airbnb effective January 1, 2015.<sup>46</sup> There are a couple of things that are worth noting here. The first is that, in Harvey's words, the stated purpose of deregulation tends to be increased competition, and in all of the aforementioned cases, this does appear to be the goal despite the dissimilar means of achieving it. These regulatory changes also recognize the importance of free enterprise within the logic of the neoliberal state, as "[p]rivate enterprise and entrepreneurial initiative are seen as the keys to innovation and wealth creation."<sup>47</sup> Most importantly, as Read points out, primitive accumulation is, at times, manifest in the "legislation necessary to destroy other economic and social relations in order to make them productive for capital."<sup>48</sup> In that sense, it needs to be recognized that the sharing economy is prompting regulatory changes that are merely legitimizing the extension of the capitalist mode of production into these new spheres of social relations, and so regulatory change does not necessarily mean progress.

## Conclusions

I began this essay by describing some of the political conflict surrounding the emergence of the sharing economy. The volatility of this political context adds particular urgency to the need for these fundamental changes in the nature of work, and of the relationship between capital and workers, to be subjected to a rigorous, academic analysis. Without understanding exactly what the implications of the emergence of the sharing economy are for society at large, it is simply impossible to expect governments, consumers, or activists to know how to react to it. However, there are some important clues as to the political-

economic position of the sharing economy, which offer some guidance in terms of developing a framework for analysis. First, the sharing economy emerges at a specific point in history: the ascendancy of a global, neoliberal order typified by rising economic insecurity, declining union density, fiscal retrenchment, and deregulation. Second, the sharing economy constitutes a shift in the social relations that form the foundation for late-capitalist society, in that it allows capital to extract surplus value from the re-commodification of the private means of subsistence previously obtained through conventional wage-labour. The historical-specificity and particular class dynamics from which the sharing economy emerges give compelling cause to subject it to a critical, class-historical analysis.

In the first instance, critical analysis itself suggests that the sharing economy is conservative in nature, given that it emerges as a form of problem-solving approach which satisfies the need for flexible work and cost reduction without attempting to understand or reconcile the structural sources of those tensions themselves. By that virtue, it serves only to preserve or strengthen those tensions. Engagement with some modern interpretations of the Marxist theory which seeks to understand how the capitalist mode of production can come to exist in a new space—primitive accumulation—provided further insights into the political-economic position of the sharing economy. By recognizing that the sharing economy exists in the re-commodification of the personal means of subsistence and generates a surplus for capitalists who no longer need even to purchase the fixed capital or the wage-labourer, it is possible to understand the sharing economy as a form of primitive accumulation which has developed to preserve the neoliberal brand of capitalism from its own internal crises—specifically, the crisis of labour surplus. This surplus of labour is the direct result of the labour market flexibility made necessary by the global neoliberal project, and so this is one of the ways that the sharing economy can be seen as emerging from the discrete political-economic realities of neoliberalism.

Further evidence is found in an analysis of the Trotskian laws of uneven and combined development, which suggest that capitalism is neither homogenous, nor monolithic. Rather, capitalism is marked by an unevenness of development which appears to permeate relative acquiescence to both the neoliberal regime and the emergence of the sharing economy. Interestingly, it was noted that some of the countries which have been less willing to adopt regulatory changes to accommodate the sharing economy have also experienced lower unemployment rates than have their more accommodating counterparts, further suggesting a link between the political economy of neoliberalism and the political economy of the sharing economy. This may also constitute material evidence that the sharing economy is a form of primitive accumulation which develops in response to labour surplus crises of late-capitalist development, but due to the sheer number of variables involved, analysis well beyond the scope of this paper would be required.

Finally, the extent to which the sharing economy reinforces or extends some of the constitutive elements of the global neoliberal project solidifies the neoliberal political-economic position of the sharing economy. First, the sharing economy serves to advance the project of de-unionization by undercutting the market, decreasing net union density and potentially even replacing steady, unionized jobs with precarious, non-unionized independent contractors should the undercutting prove substantial enough to provoke layoffs in the conventional industries. Second, the neoliberal goal of austerity is advanced by the classification of workers as independent contractors because doing so allows them to

avoid payroll taxes while leaving the workers unentitled to some of the most basic workers' protections. Third, the goal of increased competition is achieved by placing pressure on governments to adopt regulatory changes that allow them to more easily compete with the conventional services. This is not an example of deregulation in the typically neoliberal sense of the concept, but the ends are the same, and doing so has the further benefit of allowing these services to operate in spaces where they might otherwise be banned. This further entrenches labour market insecurity, contributes to union density decline, and so on. Ultimately, the political-economic position of the sharing economy must be identified as distinctly neoliberal, because it both emerges from, and serves to reinforce constitutive elements of the global neoliberal project.

It might not be all that surprising to discover that technological innovations do not necessarily lead to social progress, but it is important to remember that these are two distinct forms of progress. Technology is only as progressive as the ends for which it is used. The same technology that led to the carnage in Japan at the end of the Second World War also led to the development of medical isotopes required for life-saving diagnostics. It is possible that, in much the same way, the technological innovations which have allowed for the development of the capital-extractive, neoliberal sharing economy may also be employed for progressive ends, but only if we first develop a critical understanding of the patterns of social relations which have coalesced around them and look for alternatives.

## NOTES

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<sup>7</sup> Ramen Frey, "The Sharing Economy: The Best of Capitalism and Communism," *Medium*, August 30, 2015, <https://medium.com/@ramanfrey/the-sharing-economy-reconciles-the-best-of-capitalism-and-communism-20ece218f064#.phhuzos2b>.

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<sup>9</sup> Robert W. Cox, "Social Forces, States, and World Orders: Beyond International Relations Theory," *Millennium: Journal of International Studies* 10 no. 2 (1981): 128-129.

<sup>10</sup> Matofska, "What Is The Sharing Economy?"

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