

EXPANDED ABSTRACT

The Collaborative Economy: a new Economic Model

Social economy arises in the nineteenth century as a response from some sort of minority groups with common interests and necessities, which join their efforts to obtain synergies which improve the solutions that the traditional market offered them.

This situation does not change significantly until neoliberalism, which has marked the game rules in economic relationships since the Wall Street Crash of 1929, has raised serious doubts about whether the capitalist system in its purest expression is able to make an efficient allocation of resources, and in a sustainable manner. It seems that the answer must be negative if we consider that such doctrine is to a great extent direct cause of the crisis of 2007.

This makes social economy become more and more important as a way to understand relationships between suppliers and demanders, adopting a variety of forms, responding to the challenges of the market and using new tools, placing itself on its own right as a third option between the state and companies with the aim to maximise the benefit of the private sector (Chaves and Monzón, 2018).

In this sense, collaborative economy is one of the new ways which social economy adopts (along circular economy, social innovation or economy for the common good, among others), maximizing property and underused goods whose owners decide to share temporarily with other people as to enable their maximum use, substituting the idea of consuming for the sake of using, acquisitions for rental.

The growth of information technologies has generated an exponential expansion of this type of economy, as illustrated by the figures recorded in this work, which has converted an anecdotal issue due to its small economic weight into a phenomenon which leads to a strong collision with traditional market operators in the different areas in which it operates.

This paper aims to observe how the aforementioned collaborative economy has evolved until the present day, with a particular emphasis on what can be considered the biggest problem it must currently face, which is to achieve a balance between the companies being in the scope of this paradigm and the traditional entities which have operated in said areas until now and consider their interests damaged.

In order to do this, an analysis of the literature which addresses the subject matter is initially carried out. The youth this collaborative economy still presents can be inferred from said literature, as it has not even got one single term it can be referred to. Because of that, its main characteristics are analysed, and those properties should serve to circumscribe what can be considered within its field of study, regardless of the term used. Its main advantages and disadvantages are examined theoretically and practically below.

The advantages which collaborative economy offers, at least in their theoretical conceptualisation, are of all types: economic, since the surplus of resources is used (Sundararajan, 2014); also, this kind of consumption creates an improvement in the satisfaction of the consumer's necessities, which is possible thanks to a further extension of supply for consumers, the development of microenterprises, a quality improvement in the services, the savings that it entails and a drop in prices, among other benefits (Malhotra and Alstynne, 2014).

It offers environmental benefits too, as it allocates resources more efficiently and also because the model itself entails a departure from traditional consumerism and it attempts to satisfy needs in a sustainable manner. Lastly, the social benefits are also evident, creating potential new jobs, new ways to create social ties, a broader supply and lower prices.

The main challenge which requires a solution in order to achieve a peaceful coexistence with traditional companies is to develop a regulation which satisfies both parties. It seems that traditional operators, seeing the risk of losing significant market shares in what was a closed market until now, have organised themselves to pressure public authorities, justifying their claims by arguing that some of the organisations which operate inside collaborative economy are taking advantage of the benefits it offers with the aim to obtain larger profits, since it is not necessary to meet certain transaction costs associated with these activities: more restrictive regulations which entail higher administrative costs, a stable workforce and so forth, without mentioning the tax compliances they should face in case the sector is more controlled administratively.

In this respect, the European Union has made significant efforts to provide basic notions which allow the establishment of an appropriate legal framework for said companies by the Member States, so that they can discern whether companies genuinely pertain to collaborative economy or they are mere operators which use their advantages for profit reasons. Principally, such criterion must be based on the professionalisation of the activity performed, either offering a good or a service; for this purpose, several criteria can be used, such as the regularity with which said activity is carried out, the benefits obtained over a given time period. Consideration can also be given to the number of necessary permanent employees to maintain the commercial activity operated, or, finally, the number of goods or services offered (amount of houses offered for tourist accommodation; number of vehicles in the case of public transportation, and so forth).

The Court of Justice of the European Union (CJEU) delivered a judgment on the Uber case concluding that, while it is true that it is a platform of a digital nature, it provides transport services and, as such, it must comply with the same requirements as other members in the same sector (taxi drivers). Although that judgment has not got binding effects, the Spanish Supreme Court has already implemented this resolution in similar cases, and it can therefore be considered that the opinion held by the high European tribunal can be supported by law.

What seemed to be a solution that would allow sufficient time for Spanish lawmakers to refine the regulatory framework does not appear to satisfy the taxi trade, which continues to demonstrate (in Spain as well as in Portugal in October, 2018) because the option Uber and Cabify, to name the biggest companies, chose (requiring drivers to operate with a VTC license for rental vehicles with driver) is still considered to be unfair competition, despite the restriction of 1 VTC license for every 30 taxi licenses granted.

However, the figures which form part of the presented paper leave no room for doubt: collaborative economy is progressively and significantly taking deeper and deeper root among consumers. That and the defense of these new exchange systems by the European Union compel public regulators to make an effort to resolve the coexistence of both systems.

What remains to be seen is it being done with sufficient urgency, while respecting the principles of justification and proportionality when drafting the regulation which must be applied in the case of this new economic paradigm, without collaborative economy being constrained by unnecessary requirements which prevent its development to benefit all.

KEYWORDS: Collaborative consumption, exchange products/services, technologies, internet, social networks, platforms.