

## EXPANDED ABSTRACT

### **Colaborative economy: a new market for the social economy**

This article is aimed at analysing the concept of collaborative economy. For that purpose it is important to analyse both the activities around this new way of developing economic activities and the business models used in practice. Based on American legal doctrine and experience, this analysis allows to understand the concept of collaborative economy which serves as a basis for the European Union survey in this field, e.g. the *A European agenda for the collaborative economy* drafted by the Commission. Furthermore, the revision of this concept enables to differentiate two ways of developing and implementing collaborative economy activities: those considered as general or traditional (despite it being a recent phenomenon), represented by the so-called "platform capitalism", and those being more innovative and respectful with the adjective "collaborative", used to define this new "economy". The latter focuses on platform cooperativism and connects collaborative economy with social economy.

The article is structured into two parts. The first one comprehends the study of the collaborative economy phenomenon. The second part explores the relationship between the social and collaborative economy, focusing on the role of the cooperative society as the owner of digital platforms.

Collaborative economy exists because of the possibility of connecting people and/or assets through Internet. The digital technology has facilitated the access to those tangible and intangible assets which remained unused. Digital platforms have built up the required trust to describe the collaborative economy as open, inclusive and global.

The core activities of the collaborative economy are: collaborative consumption, which provides access to goods and / or services; collaborative production, in which groups, networks or individuals collaborate to design, produce or distribute goods; collaborative learning, open to any subject with resources and knowledge shared to learn together; and collaborative finance, where loan or investment services are provided outside traditional financial institutions. New mechanisms for collaborative governance have recently also been included. Not to be confused with, different business models arisen out of this new way of organising economy. In our opinion, the business model will be determined by the type of activity performed by the platform regarding the provision of goods or services. Thus, the platform can act as a digital intermediary which connects suppliers and providers with users and facilitates their transactions. However, the platform can also act as a supplier of either the main product or service or supporting products or services. Only case-study will determine the business model and the legal framework which is applicable.

The European Commission defines collaborative economy models as “business models *where collaborative platforms facilitate activities creating an open marketplace for the temporary usage of goods or services often provided by private individuals*”. These business models involve service providers either sharing assets, resources, time and / or skills and who may be either private individuals offering services on an occasional basis (“peers”) or acting on a professional basis (“professional service providers”); the users of those services; and the intermediaries which connect providers with users and facilitate the transactions between them through an online platform (“collaborative platforms”).

The way in which public opinion perceives the collaborative economy varies significantly. Many studies suggest that the collaborative economy does not have anything to do with the adjective “collaborative” since platforms do not share, neither the property, nor the benefits with the users, those who really generate value within them. As a consequence of this, a new movement has emerged aimed at returning to the roots of collaboration and creating platforms in which ownership, profit and responsibility are truly distributed: this is the case of the platform cooperativism.

American authors were the pioneers in surveying the relationship between co-operatives and collaborative economy. They concluded that the platforms owned by those who have really generated their value allow for a fairer distribution of the added value, create solidarity links among workers, and fights against the on-demand jobs. The debate is currently focused on how to turn collaborative economy companies into cooperatives, meaningless transformation as many examples of cooperative platforms set up by cooperatives have been encountered.

The link between Cooperatives and the collaborative economy has also been underlined in some documents of the European Institutions. However, some issues such as the benefits of their interaction, or the use of the cooperative social form to avoid the risks of collaborative economy are issues which have not been explored yet. These options have been analyzed in two recent studies carried out by private entities. The first one, promoted by the Unipolis Foundation and Legacoop, analyses the convergence between cooperatives and the collaborative economy in Italy. The second study has been promoted by Cooperatives Europe and analyses a similar issue at a European level.

The added value in cooperative platforms is generated by both, the members-suppliers and the members-users. Their effort is to be rewarded through cooperative returns. The cooperative platform faces the same problems as any other cooperative, especially in terms of funding. Although, the cooperative philosophy is an advantage, as it contributes to turn collaborative economy into something truly collaborative for suppliers and users.

From a methodological approach, the most relevant legal doctrine on collaborative economy (mostly US-produced) has been reviewed, as well as the working documents and initiatives of the European Institutions. Particular attention has been given to the studies analysing the relationship between the

collaborative economy and the social economy. The article offers, as a result, a consistent description of this new reality and the opening towards a new field of study with a focus on the cooperative.

From a legal approach, collaborative economy cannot be analysed as a whole. It involves many aspects and affects different sectors of the legal framework of each State. The study of the economic and legal issues included in the concept of “sharing economy” in the United States has helped to detect convergencies and differences with the economic and legal situation of the collaborative economy in Europe. As a consequence of this research it can be concluded that European States show a higher level of legal certainty and a better protection of the rights of users and providers/suppliers of goods and services. Moreover, the most recent studies on the links between the collaborative economy and the social economy have been carried out within the European framework, influenced by American research. All these studies have shown interesting examples of cooperatives owners of collaborative platforms.

The main results of this research can be summarized as follows: the analysis of the different denominations of the collaborative economy and the different business models involved, the European approach to this new economy and the difference between organising collaborative economy in a capitalist or a cooperative way. The *European agenda for the collaborative economy*, launched by the European Commission in June 2016, shows that the collaborative economy and its agents have a secure regulatory framework in several European Directives, which contrasts with the general absence of regulation evidenced in the United States. Nonetheless, Europe and USA need to make some progress on fiscal and labour matters. These advances are intended to avoid situations of unfair competition between traditional businesses and the collaborative economy.

**KEYWORDS:** Collaborative economy, Collaborative platforms, Platform capitalism, Platform cooperativism.