Guess what? Sharing isn’t new, you’re probably already doing it!

Sharing isn’t complicated. It means giving others access to what we have so that they can fill a need. Simple as that. So, does something as obvious as sharing even have a history? Haven’t we always known that it’s nice to share what we have? Well, yes and no. It turns out that sharing is deeply intertwined with successful evolution. Lots of animals cooperate to share resources, work, and relationships. Think about beehives or ant hills, where tasks are divided among different members of the community so the entire population can grow and thrive. Lions and other predators hunt prey as a group so the entire pack can eat. We, too, are programmed to share, but as a society, we’ve worked hard to forget it.

Despite the modern normalization of selfish behaviors, our natural inclination for sharing has endured in not-so-obvious ways. Although you may have picked up this book to learn more about collaborative consumption and how or why you should participate in it, sharing is probably already an important part of your life. If
you’ve ever borrowed a book from the library, washed your clothes at a laundromat, rented a movie from Redbox, or leased an apartment, you’re already familiar with the benefits of shared resources.

So why is everyone from Forbes to Fast Company touting collaborative consumption as “the next big thing”? Because, as we’ll explore in the chapters to follow, new technologies and cultural networks now allow us to share in ways and on a scale that has never been possible before. “I definitely think the recent trend towards sharing can be attributed, almost entirely, to the current state of technology,” says Meg Murray of Getaround. “The sharing economy wouldn’t be possible without the mobile phones we carry or our ability to access the Internet wherever we are.”

These new mechanisms eliminate many of the inefficiencies that caused ancient cultures to move away from sharing as a way of life. Sharing isn’t new, but the way we’re doing it now is unlike anything we’ve attempted in the past. Of course, in order to appreciate the significance of these changes — and what they mean for us and future generations — it’s important to understand how we got to this point.

**Cooperation = Evolution**

Biologists and sociologists agree that humans have been sharing and cooperating since the early days of our species. What they disagree on is why early humans chose to cooperate in the ways that they did. In his book, *Wired for Culture: The Natural History of Cooperation*, Mark Pagel argues that there are three things that distinguish us
from other living species: 1) capacity for speech, 2) social organization, and 3) culture and technology. Although these characteristics made human cooperation more sophisticated than what’s displayed by other animals, there is disagreement about whether it’s cooperation or competition that drives evolutionary change.

“Humans became a cooperative species because our distinctive livelihoods made cooperation within a group highly beneficial to its members and, exceptionally among animals, we developed the cognitive, linguistic and other capacities to structure our social interactions in ways that allowed altruistic cooperators to proliferate,” writes Pagel in the chapter, “Origins of Human Cooperation.” Humans became aware of the benefits of cooperation and placed value on those who facilitated it. The recent rise of collaborative consumption is proof that we are rediscovering sharing as a desirable behavior — something to be supported, celebrated, and emulated.

When it comes to human cooperation, experts say the inclination to share is just as innate for us as it is for the animal kingdom, but execution is often more complicated when humans get involved. Obviously, the motivation and methods of organization have evolved and changed over time, but the fact remains that cooperation and sharing are behaviors that come naturally to us. Our quest for survival as individuals led us to acknowledge the importance of the species as a whole. Even with their limited brain capacity, early humans figured out that in order to guarantee the safety of future generations, they had to work together. They saw that cooperating and sharing were beneficial for both the sharer and the recipient, increasing the odds that both would survive to hunt and gather another day.

“By sharing resources, a division of labor can be reached, between mates, parents and offspring, and other kin,” writes Peter J. Richerson in his book, *Principles of Human Ecology*. “This was probably especially important for hunting large game, and for sharing resources in times of drought, defeat in war, etc. Hunter-gatherer bands and ethno-linguistic units seem to act like insurance pools,
enabling people to adopt strategies with high average rewards, but high variation in success. An active, able hunter will often go many days without making a significant kill, but he can depend upon meat for himself and his family because other hunters will get lucky and share the meat from their kills.”

Cooperation wasn’t always easy in a world where you could be eaten by a larger predator at any moment. But cheating and other selfish behaviors cause problems and stir up strife. Early humans learned that the best chance for full bellies and safe offspring was to work together; a community could be depended on for fulfillment of basic needs as well as companionship and affection.

Early societies learned that the benefits of cooperative behaviors relative to costs were substantial, and that evolution favored populations with larger numbers of cooperators. So our ancestors shared the work of hunting, gathering, creating tools, and looking after the babies. Individuals could thus share the spoils of someone else’s hunt or foraging efforts even if their own had not been successful. A tribe mentality led to decision-making about where to go and how to act based on what would be best for everyone. As we emerged from a hunter-gatherer mindset and the size and structure of our society became more complicated, humans continued to rely on the success of their natural inclination to cooperate.

**Bartering, Trading, and Swapping throughout Early Civilizations**

You probably don’t hunt or garden enough to keep your family from going hungry. It’s also highly unlikely that walking is your only mode of transport or that your home is a handmade shelter. As humans have grown and evolved, we’ve created a different way of acquiring food, transportation, and shelter: we buy it.

Centuries ago, humans didn’t have credit cards or banks or, in the very early days, even physical money. So how did they gain access to things they needed but didn’t have and couldn’t make or grow?
The answer was bartering and trading, methods of meeting needs through the exchange of resources that already exist.

When a person barters, they trade something they have for something they need. The earliest historical accounts of bartering appear around 9000 BCE, right about the time humans started domesticating and keeping herds of cattle. Cows, sheep, camels, and goats were extremely valuable resources. Cattle or their by-products could be transformed into food, clothing, transportation, and even fuel. Different types of cattle were even arranged in hierarchies of value in a precursor to our current money system. There was a whole set of equivalencies: five chickens were worth one goat, two goats were worth one cow, and so on. Then, as cities formed and populations expanded, our needs moved beyond basic subsistence. What if coyotes came around at night, picking off members of your valuable herd? You might decide that you need a spear or slingshot to eliminate the predator, but you don’t own a weapon of any kind. Instead, you might take one of your best sheep down to a friend who owns or knows how to make a weapon, and offer it as a trade. If he agreed, you would get a means for protecting the rest of your flock, and your friend would get a good dinner or a valuable asset that he could then use in a future trade.

Bartering was an effective way to get what you needed, and it still is. Like sharing in general, humans seem to be born with an innate knowledge of how bartering works, and can employ it almost automatically. Think back to grade school: we traded with friends to upgrade a boring lunch, or offered to clean up our brother’s messy room in exchange for his silence about who broke the cookie jar. These are barters. However, bartering isn’t a perfect system, and, as our ancestors discovered, there are sometimes when it’s more trouble than it’s worth.

Successful bartering depends on an agreement of value. In order for you to strike an effective trade with your neighbor, you both have to agree that one sheep is worth one coyote-fighting weapon. If you
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don’t agree on the sheep’s value, it’s going to be hard to make a trade. Bartering also depends on what economists call a double coincidence of wants. The system is most successful when you and a second person both want/need what the other has, at the same moment in time. But what if that’s not the case? What if your neighbor isn’t in the market for more sheep? Maybe his pressing need is a new blanket to keep his baby warm. This complicates things. In order to make the trade, you’d first have to find someone who is willing to trade a blanket for your sheep. Then, you’d turn around and trade the blanket for the weapon. This method of indirect trading is clumsy and more time-intensive, but it can work if everyone agrees on the value of all items involved.

As society became more complex, however, the drawbacks of using animals as units of trade became more obvious: cattle require maintenance to keep them healthy (no one trades for a sick cow), and, when trading for particularly large things, like a house or tract of land, it became necessary to bring along many head of cattle at once. What humans needed, writes Jerry Howell in The Complete Idiot’s Guide to Barter and Trade Exchanges, “was some way to represent the value of the trades you had in a form that was easy to exchange for other goods — and easy to carry in your purse.”

For people living in China around 1200 BCE, that thing was the cowrie shell. Uniquely beautiful and featuring a highly glossy exterior, cowrie shells have been prized by humans for centuries. They’ve been found in the tombs of Egyptian pharaohs and their likeness has been discovered in prehistoric cave art. Two hundred cowrie shells were a whole lot easier to carry around than 200 head of cattle, so the Chinese adopted it as one of the first forms of currency.

Now, you might be wondering, as I did when first learning about this ancient currency, how in the world was it was possible for an international economy to operate using seashells? Nowadays, we make jokes about how nice it would be if dollars grew on trees; in 1200 BCE, cowrie shells littered the beaches of China, where they could be collected by the bucketful. This is hard to comprehend given how
hard most of us work for just enough money to pay our bills and feed ourselves. How could a successful economy be based around a unit of currency that washed up on the beach? How can a seashell be valuable? When I realized the answer, it was a little bit scary, but also very exciting. Are you ready for it?

Money only has value because we say it does.

In modern America, which operates outside of the former gold standard, we are in the exact same boat as the ancient Chinese. Just like them, we’ve all simply agreed that a dollar has value. Think about that for a second. All the work, all the worry, all the scrambling to get more dollars is based on nothing more than an idea of value. Dollars are just meaningless pieces of paper that we hand back and forth. Unlike the cattle used in the early bartering systems, you can’t eat a dollar. Unlike the cowries utilized by the Chinese and others, you can’t turn a pile of quarters into a beautiful necklace. So in reality, our money is even less valuable than those primitive forms of currency.

Yet we’ve become slaves to money, spending our entire lives earning, spending, and saving it — even though it’s virtually meaningless and has no value unless a whole lot of people agree that it does. Scary, right? The good news is that realizing this simple fact about modern money opens up a huge door of opportunity to create something better than our current economic system. Currency doesn’t determine a thing’s value; we determine the value of currency. If enough people get together and decide that they want to use something else as a form of currency, a new economy is born. Everyone can go on living and working and eating and trading. In fact, alternative currencies are particularly useful in times of economic crisis, when people are unable to get their hands on enough cash to meet their needs.

Alternative Currencies

Bartering is in our blood, and it’s an integral part of our history, but many consider it too difficult and time-consuming for the modern world. You’re going to find it hard to pay your mortgage or utility bills
with things you have available for trade, valuable though they may be. But the dollar (or yen or franc) isn’t the only way to gain access to the things you need. In fact, dollars only work as a unit of currency because we all agree to the fantasy that a dollar has value. If an entire community decided to agree that monopoly money had worth, it could replace the dollar without totally disrupting that community’s economy. It might be difficult to get the utility and cable companies on board, but you get the idea. It could happen if everyone agreed. To do so would create an alternative currency (or what some call a complementary currency when it’s used in an economy that also accepts traditional money). Find that hard to believe? Well, it’s happened many times throughout history, and, thanks to the sharing revolution, alternative currencies are making a comeback.

The biblical record tell us that when Joseph interpreted Pharaoh’s dream to mean that Egypt was headed for seven years of famine, the country responded by stockpiling food. In his book, Community Currencies: A New Tool for the 21st Century, Bernard Lietaer speculates that in addition to being a bright idea, these stockpiles were also the basis of the Egyptian monetary system. “Each farmer who contributed to the stockpile would receive a piece of pottery having an inscription of the quantity and date of delivery of his contribution, which he could then use to purchase something else,” Lietaer writes. “These receipts, or ostraca, have been found by the thousands and were in fact used as currency.” This food-based currency was used in Egypt for more than a thousand years, until the Romans forcibly replaced it with their own banking and currency system.

The Great Depression of the 1930s was a global economic crisis, but most people associate it with the United States — and with good reason. In the United States, the effects of the Great Depression were particularly severe and long-lasting. Between the years of 1929 and 1938, the United States endured an unemployed population estimated at over 12 million; approximately 25 percent of all American families had no income whatsoever. There was a
huge increase in foreclosed farms and houses and evictions from apartments (in 1930, there were more than 200,000 evictions in New York City alone).

After the stock market crash in 1929, people had almost no confidence in the rapidly declining value of the dollar. Those who had dollars hoarded them under their mattresses, resulting in even less currency being available for the rest of the populace and a further reduction in the volume of business that could be transacted. Those who didn’t have dollars became migrants, wandering the country in search of work that would prevent their families from starving to death. As we know, desperation is the mother of invention, and many people started to realize that they could still make simple trades and exchanges for things they needed even if they didn’t have dollars.

“Besides learning how to ‘make do, or do without,’ people began to establish mutual support structures, like workers’ cooperatives, many of which would recycle and repair donated or broken items,” writes Thomas H. Greco, Jr. “People learned to share what they had, and to bypass the market and financial systems. Most of these measures were considered stop-gaps to be utilized until things ‘got back to normal,’ but in some of them there seemed to be the promise of more permanent improvements. One of these ‘stop-gaps,’ which was intended to address the problem of the dearth of currency in circulation, was the issuance of scrip.”

Scrip took many forms and operated in slightly different systems, but no matter where it originated or how it was designed to be used, it was always a locally printed document that could be used in the place of dollars or US coins. According to DepressionScrip.com, paper, cardboard, wood, metal tokens, leather, clam shells, and even parchment made from fish skin was used. Inscriptions on some of these items promised that they could be redeemed for “real” money on a future date, while others, like rabbit tails and wooden discs, were simply a vehicle for expressing value so that trade could continue. At one point, the US government considered issuing a nationwide scrip
on a temporary basis, but that idea was quickly shot down by then Secretary of the Treasury William H. Woodin. The proliferation and use of scrip died down as soon as the Federal Reserve agreed to start printing more money and the economy started to recover, although the use of alternative currencies never died out completely.

Around the same time as the Great Depression was laying waste to the American economy, nations around the world were feeling the pinch. An Austrian man by the name of Michael Unterguggenberger came up with a novel idea to help save his small town of Worgl. He persuaded the town’s government to issue paper tickets that were worth one, five, and ten Austrian schillings a piece. Unemployed people could earn this “money” by doing good works in the community, like repairing bridges or cleaning drains. The tickets could then be spent like money in the shops; in turn, the shopkeepers paid their local taxes and their local suppliers with them.

“This new currency led to a dramatic increase in economic activity, which was partly due to a special feature of the notes,” writes James Robertson in *The History of Money.*[^3] “They lost one percent of their value every month, unless their holders attached a stamp bought from the town council. People were eager to spend them as soon as possible before they lost value — which increased what economists call the ‘velocity of money’; the sooner people spend it, the faster it circulates.” This alternative currency was so popular that soon the Austrian government began to feel like it was losing control over the country’s monetary system, and, as we know, maintaining control is very important to the status quo.

So, despite its success, Austria outlawed the scrip in 1933, right about the time when New York bankers convinced President Roosevelt to do the same in America. The new bank system that emerged in both countries was far more centralized and tightly controlled than before. That should tell you something about the power of currency and how significant it can be when people opt out of the socially acceptable monetary systems.

[^3]: "The History of Money" by James Robertson.
For the next few decades, local and alternative currencies fell to the wayside as developed nations experienced relative prosperity. Still, the system that had saved so many communities from ruin was never far from the minds of innovators and activists. In 1973, a Massachusetts economist named Ralph Borsodi devised a currency called “The Constant.” Protected against inflation by a backing of 30 commodities, Borsodi hoped his alternative currency could be guaranteed against devaluation. “The idea was exciting enough to the surrounding community that up to $160,000 worth of Constants were circulating in general use throughout the region, not only in paper currency but in checking deposits at local banks as well,” writes Andrew Lowd. “Though he never got around to purchasing the commodities, the program ran, backed by dollars, for almost two years before Borsodi’s health and old age caused the program to fold.”

Throughout history, local currencies have been used not only as a way to survive during periods of economic uncertainty, but also as a bold way to opt out of a global monetary system that many find exclusionary and, in some cases, corrupt. As I’ve mentioned before, the only thing that gives modern money value is the fact that the majority of people agree that it has some value. Of course, people can change their mind about how much value a coin or bill has, and that’s why exchange rates can vary so widely. For those who only have access to very limited amounts of money, these small shifts can be devastating. This ambiguity can also be viewed as opportunities for the have-nots, however. If a community comes together to replace currency with another measure of value, they can flourish outside a broken system.

In 1998, the residents of the Palmeira District, a slum in Fortaleza, Brazil, decided they were tired of living on the bottom rung of a monetary system controlled by a wealthy few. The community came together and created an organization called Association of Neighbours of the District of Palmeira. This Association then created a new bank — the Bancos des Palmas, or Palm Bank — and a new currency, the Palmas.
The bank was set up to fight poverty and improve the living conditions of the residents of the district of Palmeira, but it has achieved much more over its 14 years of existence. Before the bank was set up, local producers rarely sold produce to their neighbors and the local residents tended to buy their goods elsewhere. As participation in the community bank became more widespread, community members slowly altered their consumption and spending habits to take advantage of the bank’s service. Spending on local commerce jumped from 16 percent of purchases to 56 percent. Now, the Palm Bank offers low-interest or no-interest micro-loans to community members to create small businesses and offers the PalmaCard credit card, giving residents the ability to make purchases all month long, further stimulating the local economy. Banco Palmas’ revenue from services covers 85 percent of the Bank’s total income. As an organization, Banco Palmas has grown from 200 to 2100 associates, 60 percent of whom live well below the poverty line.5

Although crises have always encouraged people to embrace “outside-the-box” solutions, alternative currencies aren’t always a survival technique. Sometimes, they’re established to make a statement about the status quo and what it really means to live a simpler, more abundant life. Across the world, local, alternative, and complementary currencies are appearing; they provide citizens with a way to make a real, instantaneous impact because they force money to bang around inside the local economy for much longer than a normal dollar would.

BerkShares is a local currency created in the Berkshire region of Massachusetts. Under the BerkShares system, a buyer goes to one of 12 local banks and pays $95 for $100 worth of BerkShares, which can be spent in 370 local businesses, including restaurants, pharmacies, nurseries, and law firms. More than $2.5 million in BerkShares has circulated since 2006. As noted on their website, the currency is meant to provide an alternative to conventional money, not replace it: “The people who choose to use the currency make a conscious commitment to buy local first. They are taking personal
responsibility for the health and well-being of their community by laying the foundation of a truly vibrant, thriving local economy.”

In the future, BerkShares may offer checking accounts, electronic transfer of funds, ATM machines, and even a loan program to facilitate the creation of new local businesses manufacturing more of the goods that are used locally.

The PLENTY in Pittsboro, North Carolina, is an alternative currency created back in 2002. The paper currency is available in denominations of $1 through $50 that can be used to pay for goods from dozens of participating businesses. Right now, that list includes everything from a wireless company to marriage counselors. PLENTY (Piedmont Local EcoNomy Tender) currency can also be exchanged for dollars through the locally owned Capital Bank to help keep them circulating regularly. In the decade since the first PLENTY currency was issued, participants have noticed that benefits aren’t limited to savings or profit. “Members seek each other out, meet face-to-face, and get to know their neighbors,” reads the PLENTY website, www.theplenty.org. “The PLENTY allows the ‘small town values’ of neighborliness, generosity and self-reliance to blend with our community’s traditional support for diversity, social justice, and responsible development.”

Ithaca Hours, created in Ithaca, New York in 1991, adds a twist to the local currency concept by incorporating time as part of value. Ithaca Hours can be purchased at the local Alternatives Federal Credit Union (AFCU) or at any local business that accepts it as currency. One Ithaca Hour costs $10.00 — or one hour of basic labor. In the twenty or so years since Ithaca Hours have been in circulation, smaller denominations have been added (half Hour = $5.00, quarter Hour = $2.50) and the bills now bear the signatures of both the Hours President Steve Burke and the president of AFCU. Since its start, several million dollars worth of Hours have been exchanged among thousands of residents and over 500 area businesses, including the Cayuga Medical Center, the public library, many local
farmers, movie theatres, restaurants, healers, plumbers, carpenters, electricians, landlords, and the AFCU itself.

And that’s just focusing on the United States. LETS (Local Exchange Trading System) is a mutual credit currency that makes electronic currency available as it is needed in the form of ATM cards. There are over 2,500 LETS networks around the world, primarily in Europe and Canada. Another currency, Salt Spring Dollars, emerged in the Canadian Gulf Islands as a printed currency that is 100% exchangeable with Canadian dollars.

The WIR Bank was founded by Swiss businessmen so they could do business with one another, interest-free, during the Depression. WIR Bank functions without scrip; it exists only as a bookkeeping system to facilitate transactions. It is still in operation, and over one fourth of all Swiss business is conducted through the WIR bank. Its use tends to increase when the conventional economy falters (with high unemployment and recession), and it diminishes when the traditional economy is booming. Thus, it acts as a steadying force and is one of the factors that make the Swiss economy so stable.

Japan has developed over 600 operational complementary currencies in an attempt to address socio economic problems stemming from more than a decade of recession. For example, Tsutomo Hotta, Japan’s “Mr. Moral Authority,” developed “Fureai Kippu,” a complementary currency used to care for the elderly. Older people receive credits for time, which they can use to receive care from local citizens. The credits are used to pay for things Japan’s national insurance does not cover. The Fureai Kippu system helps communities create relationships based on taking time to care for elderly citizens. When surveyed, older citizens said they actually prefer receiving care from local, untrained people rather than from professional healthcare workers.

**Where Are We Now?**

We learned early in our existence that cooperating improved our quality of life and often prolonged our survival. Successful cooperation
was valued among early societies, encouraging individuals to behave in such a way that was beneficial to the entire community. This natural inclination to work together for mutual benefit gradually evolved into the original barter system. Through simple barters, people could trade items of value to obtain things that they needed. As long as human demands remained relatively simple, a “coincidence of wants” was easy to generate: “You have a thing that I need, I have a thing that you need, let’s trade!” As we moved from hunter-gatherer societies to established agrarian societies, cattle emerged as an early bartering currency, with certain types or numbers of cattle corresponding to common needs. As the population expanded and needs
became more complex, it became harder to organize double and triple coincidences of wants. Eventually, people needed a standard type of currency with agreed-upon value that was easier to carry around than a cow. Many different objects were utilized at some point, including seashells, beads, and grain. These early currencies teach us an important lesson about money and value, namely, that currency only has value if we say it does. Taking this idea a step further, we can see that anything has the potential to serve as currency as long as enough people agree on its value and accept it as a form of trade. In modern times, people exploited this concept of value to bolster local economies through alternative and complementary currencies. The widespread success of these alternative currencies created interest around opting out of current economic systems. Fast-forward to current day, and some people have begun to wonder if we really need to mess around with “units of value” at all.

Enter the modern collaborative consumption movement, also referred to as the “sharing economy.” It’s based on the principle that the world already contains all of the supplies and resources we need to survive. It’s just that many of these resources are sitting idle, wasted, or hoarded by those who feel they’re entitled to more than their fair share. Whereas in the past, sharing or cooperative behaviors have been best executed within limited communities, the boom in mobile technologies and social networking we are experiencing today makes it possible to scale up the system and make something new.

The New Sharing Economy

While the vast majority of commentary on the sharing economy has focused on how to fit collaborative consumption into the current economic ideology, there are many who feel that it is much more than a new market trend. “I don’t think there’s anything else that can radically reduce poverty and resource consumption at the same time, something humans must do to stabilize our global climate and society,” writes Neal Gorenflo, co-founder publisher of Shareable
magazine (www.shareable.net). “However, the sharing economy is not only a real solution, it’s also an inspiring true story. People experience it as empowering. It puts people in a new, constructive relation to one another. In the sharing economy, we host, fund, teach, drive, care, guide and cook for friends and strangers alike. This is a world where people help each other. It’s also a world where self-interest and the common good align.”

Just like the basic principles of sharing and cooperation, the term “collaborative consumption” has been around for longer than you might think. It was initially coined way back in 1978 by Marcus Felson and Joe L. Spaeth in their paper “Community Structure and Collaborative Consumption: A Routine Activity Approach” published in American Behavioral Scientist. In that paper, which focused largely on the then-new concept of car sharing, the authors defined collaborative consumption as “those events in which one or more persons consume economic goods or services in the process of engaging in joint activities with one or more others.” Their research focused on the unique social and economic interactions that happen when emphasis is placed on community and connections. Human beings prefer to do things together, and often, when tasks are tackled as a team rather than by individuals, the result is a solution that’s quick, easy to execute, and achieved through consensus rather than top-down decree. Felson and Spaeth found that goods and services could be consumed collaboratively for mutual benefit. At the time, this was a new idea, but collaborative consumption is about more than just consuming things simultaneously in the presence of others. In fact, some people argue that the word “consumption” shouldn’t be there at all. “I think the operative phrase is ‘collaborative,’” points out Getaround’s Meg Murray. “I actually find the fact that collaborative is paired with consumption to be rather strange, since it should actually result in much less consumption.”

More recently, the term was used by Ray Algar, a UK-based management consultant, in a 2007 article entitled “Collaborative
Consumption." In it, Algar draws attention to the collaborative aspect of this new phenomenon, and rightly so. No longer are consumers content to simply accept the selection, quality, or price dictated to them by those in power (the retailers, manufacturers, or politicians). Instead, Algar notes, individuals are using the Internet's power of equalization to create, organize and store information (i.e., Wikipedia, the world's biggest online encyclopedia, which is completely crowdsourced by an international community of volunteer contributors and editors — a goldmine of well-presented information for the savvy Web user). Consumers are also collaborating to take back power in the marketplace (i.e., eBay, LivingSocial, Groupon). “Collaborating to leverage discounts and incentives is an inevitable reality of ‘connected living,’” writes Algar. “Individuals are learning that it is better to be part of a crowd, and the crowd is fast becoming very wise.” Still, Algar’s focus is too narrow to embody the all-encompassing, paradigm-shattering vision that lurks in the sharing economy’s potential.

What’s Mine Is Yours, a 2009 book by Rachel Botsman and Roo Rodgers, is what finally helped to moved the term “collaborative consumption” out of the experimental, academic, and business worlds and into the mainstream consciousness. “Collaborative Consumption describes the rapid explosion in traditional sharing, bartering, lending, trading, renting, gifting, and swapping reinvented through network technologies on a scale and in ways never possible before,” write Botsman and Rodgers. Here we begin to feel the groundswell that many early researchers predicted. Even though this definition still focuses on the tangible actions and benefits of sharing, it begins to represent a new vision for a social, environmental and economic system that is inclusive and compassionate as well as smart, efficient, and forward-thinking.

Though it feels revolutionary, collaborative consumption (or the sharing economy, access economy, free economy, or gift economy — all are terms used to refer to this movement) is a new twist on an
old idea. It’s a reimagining of old solutions tweaked to keep up with the size and speed of our current society. It leverages our fascination with social networking to minimize waste and maximize access. Building upon principles that have been innate since before humans could speak, the sharing economy seeks to reinvent our idea of what it means to be a citizen, on both a hyper-local and a global scale.

No matter what you call it, collaborative consumption challenges traditional definitions of professional success, personal wealth, and what it really means to be a productive member of our communities. Sharing allows us to create a new definition of value, not based on currency but on how much a thing, action, or person enriches our lives, and it gives us the opportunity to enrich someone else’s in return.

Through the lens of collaborative consumption, it becomes clear that it’s access, not ownership, that’s really essential to meeting our needs and wants. “Either out of financial necessity, or a lifestyle preference, people are not as interested in owning major assets, such as motor vehicles, as they once were,” points out Shelby Clark, founder of the car-sharing platform RelayRides. “Oftentimes, young people are identifying more with their mobile phones than cars as a symbol of independence.”

The sharing economy represents a fundamental challenge to the prevailing top-down consumption model, agrees Lisa Fox, founder of OpenShed, a popular goods-sharing service out of Australia. “There is no merchant or middle man in collaborative consumption,” says Fox, “individual private ownership is no longer the end goal, rather, access is.”

When we view ourselves as an element of an ecosystem, rather than an autonomous being, we begin to understand that amassing experiences, which often cost nothing and have no carbon footprint, is more important than loading up on material possessions. Examining our society from this new perspective allows us to see that when “mine” becomes “ours,” everyone’s needs can be met
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without waste. The beauty of this new worldview is that it doesn’t force us to surrender our personal identities. You can be part of the sharing economy without giving up the ability to pursue your own dreams, without setting aside personal goals and aspirations, and certainly, without eliminating the innate desire to leave a unique mark on the world.

Unlike other ideologies that have tried to emphasize “we” over “me,” there’s plenty of room for self-interest in the world of collaborative consumption. It’s just that once you get involved and see how truly enriching this lifestyle can be, it becomes clear that selfishness stands in the way of dreams more than it facilitates them. Through an emphasis on collaboration, community, and the idea that what goes around comes around, those who try collaborative consumption often realize that, by making themselves available as a resource for others, they too are lifted up by the community. Things that never seemed possible when working on your own can be accomplished in a matter of minutes or days when you can tap into the amazing power of the sharing community.

Sharing may not be a new idea as a personal behavior, but that doesn’t mean it’s not revolutionary. Collaborative consumption is a new vision for what life on this planet can look and feel like — a broad and quite frankly audacious vision of how people — without money, without politicians — can turn our consumption-obsessed society into an economic democracy. So this is about more than just swapping your old clothes for new ones, or joining a car-sharing service. It’s about catalyzing a total paradigm shift in how we produce, consume, and govern.