

# The Sharing Economy: A Critical Political-Economic Analysis Through the Lens of Primitive Accumulation

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**Received:** 03 April 2025; **Accepted:** 02 May 2025; **Published:** 01 June 2025

**Abstract:** The rapid emergence and expansion of the "sharing economy," exemplified by platforms like Uber and Airbnb, have sparked intense debate regarding its fundamental nature and societal implications. While often lauded for its efficiency, innovation, and community-building potential, a growing critical perspective argues that these platforms represent a new, intensified form of capital accumulation. This article undertakes a critical political-economic analysis of the capital-extractive sharing economy, positioning it as a contemporary manifestation of primitive accumulation. Drawing upon Marxist theory and contemporary critiques, this study examines how these platforms dispossess traditional labor, create new precarious labor forces (the "precariat"), and enclose previously non-commodified assets, thereby facilitating novel avenues for capital extraction. By synthesizing evidence from labor disputes, regulatory challenges, and theoretical discussions, this analysis aims to illuminate the underlying mechanisms of wealth concentration and power dynamics inherent in the platform-mediated sharing economy, challenging its utopian narratives and advocating for a more nuanced understanding of its socio-economic impact.

**Keywords:** Sharing Economy, Primitive Accumulation, Capital Extraction, Political Economy, Precariat, Uber, Airbnb, Neoliberalism, Labor, Dispossession.

**Introduction:** The "sharing economy," a phenomenon characterized by peer-to-peer economic activity facilitated by digital platforms, has rapidly transformed various sectors, from transportation to accommodation. Proponents often champion it as a revolutionary model fostering efficiency, community, and sustainable consumption by enabling individuals to share underutilized assets [8, 10, 11, 12]. This perspective envisions a future where capital and labor are optimized, leading to a more collaborative and less wasteful society [7]. Indeed, some have even optimistically framed it as a reconciliation of the best aspects of capitalism and communism [7], or even a route to "dotcommunism" [6].

However, this seemingly benign narrative has been met with growing skepticism and fierce opposition. Taxi drivers have vehemently protested against ride-sharing companies like Uber, citing unfair competition and existential threats to their livelihoods [1, 38, 39]. Regulatory bodies in various countries have upheld

bans or imposed strict regulations on these platforms, highlighting concerns about labor standards, safety, and market disruption [2, 33]. Critics argue that far from being a truly "sharing" model, these platforms represent a new, intensified form of capitalism, characterized by the extraction of value from previously non-commodified assets and the creation of highly precarious labor conditions [5]. The question arises: is the sharing economy truly about sharing, or is it a sophisticated mechanism for capital accumulation?

This article posits that the capital-extractive sharing economy can be critically understood through the lens of primitive accumulation. Originally conceptualized by Karl Marx, primitive accumulation refers to the historical processes through which producers are separated from their means of production, creating a class of wage laborers and concentrating capital in the hands of a few [19, 20, 21]. While traditionally associated with historical events like the enclosure of common lands, contemporary Marxist scholars argue that primitive accumulation is an ongoing process,

adapting to new forms of dispossession and capital extraction [24, 48].

This article aims to critically examine the political-economic position of the capital-extractive sharing economy by analyzing how it aligns with the mechanisms of primitive accumulation. By synthesizing evidence from labor disputes, regulatory challenges, and theoretical discussions, we seek to illuminate the underlying processes of wealth concentration, the creation of new forms of precarious labor, and the enclosure of common or personal resources that characterize this evolving economic landscape. Understanding these dynamics is crucial for moving beyond simplistic narratives and engaging with the profound socio-economic transformations wrought by platform capitalism.

### **METHODOLOGY**

This article employs a critical political-economic analysis grounded in a comprehensive literature review. The methodology involves synthesizing existing academic scholarship, journalistic reports, and policy documents to construct an argument that positions the capital-extractive sharing economy as a contemporary manifestation of primitive accumulation.

#### **2.1. Theoretical Framework:**

The primary theoretical lens for this analysis is Karl Marx's concept of primitive accumulation [19, 20, 21]. This framework is understood not merely as a historical antecedent to capitalism but as an ongoing process of dispossession and the creation of new conditions for capital accumulation [22, 23, 24, 48]. Key elements of primitive accumulation relevant to this study include:

- Separation of producers from their means of production: How individuals are dispossessed of their independent livelihoods or control over their labor.
- Creation of a wage-labor force: The transformation of independent workers into a class reliant on selling their labor power.
- Enclosure of common resources: The privatization or commodification of previously shared or non-commodified assets.
- Role of the state: How legal and political structures facilitate or resist these processes.

Additionally, the analysis incorporates concepts related to neoliberalism as the broader political-economic context [44, 47], and the emergence of the precariat as a new global class characterized by precarious employment and lack of social security [25, 28, 29, 30, 31, 32, 35, 36, 42]. The framework by Robert W. Cox on "Social Forces, States, and World Orders" provides a valuable lens for understanding how the sharing economy represents a new configuration of power

relations and a challenge to existing world orders [9, 15, 16, 17, 18].

#### **2.2. Data Sources and Selection Criteria:**

The data for this review are drawn from the provided list of references, which includes:

- Academic works: Focusing on political economy, labor studies, and critical analyses of the sharing economy [4, 5, 6, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35, 36, 37, 42, 43, 44, 47, 48].
- News articles and reports: Documenting protests, regulatory actions, and the lived experiences of workers in the sharing economy [1, 2, 3, 13, 33, 38, 39, 40, 41, 45, 46].
- Official documents: Such as labor interpretations [43].

The selection criteria prioritized sources that:

- Critically analyze the sharing economy beyond its promotional narratives.
- Discuss labor conditions, regulatory challenges, and economic impacts.
- Engage with Marxist concepts, particularly primitive accumulation, or related ideas of dispossession and precarious labor.
- Provide empirical examples (e.g., protests, legal rulings) of the sharing economy's contested nature.

#### **2.3. Analytical Process:**

The analytical process involved a thematic synthesis of the gathered information, structured around the key elements of primitive accumulation:

- Identifying mechanisms of dispossession: How traditional industries (e.g., taxi services) and their labor are undermined, and how individuals' personal assets are commodified.
- Analyzing the creation of the precariat: Examining the employment status, working conditions, and lack of benefits for workers on sharing economy platforms.
- Exploring the enclosure of resources: How private assets (e.g., spare rooms, personal cars) are transformed into sources of commercial revenue for platforms.
- Assessing the role of the state and regulatory responses: How governments have responded to the sharing economy, either by facilitating its growth or attempting to regulate its more exploitative aspects.
- Deconstructing ideological narratives: Critically examining the "sharing" rhetoric against the actual economic practices.

This qualitative synthesis aims to build a coherent argument demonstrating the sharing economy's alignment with the processes of primitive accumulation in a contemporary context.

## RESULTS

The analysis of the sharing economy through the lens of primitive accumulation reveals several key political-economic characteristics that challenge its benevolent, utopian framing. The results demonstrate how these platforms facilitate new forms of dispossession, create a precarious labor force, and enclose previously non-commodified assets for capital extraction.

### 3.1. Dispossession of Traditional Capital and Labor:

The rise of platforms like Uber has directly led to the dispossession of traditional capital and labor in established industries. Taxi drivers, who historically invested significant capital in medallions and vehicles, and operated under regulated labor conditions, have faced severe economic pressure. Protests by taxi drivers against Uber have occurred globally, highlighting the direct threat to their livelihoods and the perceived unfair competition [1, 2, 3, 33, 38, 39]. For instance, taxi drivers in Toronto moved inside city hall to protest Uber [1], and a French court upheld a ban on Uber's service using non-professional drivers [2]. This process mirrors historical primitive accumulation, where established forms of production and associated labor were undermined by new, more capital-intensive or exploitative modes [19, 20].

### 3.2. Creation of a New Precariat Labor Force:

A defining feature of the capital-extractive sharing economy is the creation and expansion of a precarious labor force, often termed the "precariat" [25, 28, 29, 30, 31, 32, 35, 36, 42]. Workers on platforms like Uber and Lyft are largely classified as "independent contractors" rather than employees, which exempts companies from providing benefits, minimum wage, and other labor protections [4, 14]. This classification has been a major point of contention, with legal rulings in California, for example, challenging Uber's employee status [14]. The "flexibility" often touted by these platforms is experienced by many drivers as a lack of security and control, leading to a "life inside the new gig economy" characterized by precarity [13]. The U.S. Department of Labor has issued interpretations regarding worker misclassification [43], indicating a growing recognition of this issue. This aligns with primitive accumulation's role in creating a dispossessed labor force reliant on selling its labor power under unfavorable conditions [19, 20].

### 3.3. Enclosure and Commodification of Previously Non-Commodified Assets:

The sharing economy facilitates the enclosure and commodification of assets that were previously either personal, underutilized, or part of a non-market sphere. Airbnb, for example, transforms private residential properties into commercial lodging units, effectively "enclosing" urban housing stock for profit [6]. This can lead to increased housing costs and displacement in cities, as residential properties are converted into short-term rentals [46]. This process is analogous to the historical enclosure of common lands, where communal resources were privatized for capitalist production [24]. The "sharing" rhetoric often masks this underlying commodification and capital extraction [5, 6].

### 3.4. State Complicity and Regulatory Challenges:

Governments and regulatory bodies have struggled to adapt to the sharing economy, often oscillating between outright bans and attempts at regulation. While some cities have sought to regulate platforms [45, 46], the inherent novelty and scale of these operations often outpace existing legal frameworks. The "Uber wars" in various cities illustrate this struggle [45]. In some cases, states have inadvertently facilitated the growth of these platforms by failing to adequately protect traditional labor or by allowing ambiguous independent contractor classifications [43]. This reflects a broader trend within neoliberalism, where the state often plays a role in creating and legitimizing new markets for capital accumulation [44, 47].

### 3.5. Ideological Framing and Resistance:

The ideological framing of the sharing economy as "sharing" or "collaborative consumption" [8, 10] serves to obscure its capital-extractive nature. This narrative promotes a positive image of efficiency and community, diverting attention from labor exploitation and market disruption [5, 6]. However, this framing is increasingly challenged by organized resistance from affected workers and communities. Anti-Uber protests have been widespread [38], and efforts to unionize ride-app drivers are emerging, as seen in Seattle [41, 40]. These acts of resistance represent a counter-force to the ongoing primitive accumulation, highlighting the contested nature of this new economic order.

In summary, the results indicate that the capital-extractive sharing economy exhibits core characteristics of primitive accumulation, including the dispossession of traditional labor, the creation of a new precarious workforce, the enclosure of personal and urban assets, and a complex relationship with state regulation, all underpinned by an ideological narrative that often masks its true political-economic position.

## DISCUSSION

The analysis presented in the results section strongly supports the argument that the capital-extractive sharing economy operates as a contemporary mechanism of primitive accumulation. This perspective moves beyond the often-utopian narratives of efficiency and community [8, 10, 11, 12] to reveal the underlying processes of dispossession and capital concentration.

The historical concept of primitive accumulation, as articulated by Marx, involved the violent separation of producers from their means of production, leading to the creation of a propertyless working class [19, 20, 21]. While the contemporary sharing economy may not involve overt violence, it achieves a similar outcome through economic and legal means. The undermining of traditional taxi industries and the precarious classification of drivers [4, 14] effectively dispossess workers of stable employment and benefits, pushing them into the "precariat" [25, 28, 29, 30, 31, 32, 35, 36, 42]. This new class, characterized by instability and lack of social protection, is a direct result of the platforms' business model, which externalizes labor costs onto individual workers. The "flexibility" touted by platforms often translates to a lack of social security and increased vulnerability for workers [13, 25].

Furthermore, the "enclosure" aspect of primitive accumulation is evident in how platforms like Airbnb commodify private homes and urban spaces [6]. What was once a personal asset or a non-market common resource (a spare room, a personal car) is now integrated into a global capitalist market, generating revenue for the platform owners. This transformation of use-value into exchange-value, facilitated by digital infrastructure, creates new avenues for capital extraction that were previously unavailable. The agreements between cities and platforms, such as Amsterdam and Airbnb [46], while appearing to regulate, can also legitimize this enclosure process.

The role of the state in this process is complex and often contradictory. While some governments have attempted to ban or regulate these platforms [2, 33], others have adopted a more accommodating stance, sometimes influenced by the promise of innovation or economic growth [45]. This dynamic reflects the broader context of neoliberalism, where states often facilitate market expansion and deregulation, even at the expense of labor protections and social welfare [44, 47]. The legal battles over worker classification [14, 43] are central to this struggle, as they determine whether platforms bear the costs of employment or continue to externalize them onto individual workers.

The debate around whether the sharing economy is "communism or hyper-capitalism" [5, 6, 7] is resolved

through this critical lens. It is clearly a form of hyper-capitalism, leveraging digital technologies to intensify capital accumulation by exploiting new forms of labor and commodifying previously non-market assets. The "sharing" rhetoric serves as an ideological veil, obscuring the underlying power relations and extractive practices. This is a crucial point, as the language used to describe these phenomena shapes public perception and policy responses.

From a Coxian perspective, the sharing economy represents a significant shift in "social forces" and challenges existing "world orders" [9, 15, 16, 17, 18]. It reconfigures the relationship between capital, labor, and the state, creating new forms of power and resistance. The protests by taxi drivers [1, 38, 39] and the nascent efforts to unionize gig workers [41] are clear manifestations of counter-hegemonic forces challenging this new configuration of power. The global nature of unemployment [34] also provides a fertile ground for the expansion of precarious work models.

In conclusion, the sharing economy, particularly its dominant capital-extractive platforms, is a contemporary manifestation of primitive accumulation. It systematically dispossesses traditional labor, creates a vast precarious workforce, and encloses previously non-commodified assets, all for the benefit of platform owners and investors. Recognizing this political-economic position is vital for developing effective regulatory frameworks, advocating for labor rights, and ensuring that technological innovation serves broader societal well-being rather than merely intensifying capital accumulation.

## **CONCLUSION**

The "sharing economy," despite its often-touted benefits of efficiency and community, fundamentally operates as a modern form of primitive accumulation. This critical analysis reveals how dominant platforms within this economy systematically dispossess traditional labor, create a burgeoning precarious workforce, and enclose previously non-commodified assets, all to facilitate new avenues for capital extraction. The ideological framing of "sharing" often masks these underlying political-economic processes, which intensify capital accumulation and exacerbate social inequalities.

Understanding the sharing economy through the lens of primitive accumulation is crucial for a nuanced assessment of its societal impact. It highlights the urgent need for robust regulatory frameworks that protect labor rights, prevent the unchecked commodification of essential resources, and ensure that the benefits of technological innovation are equitably distributed. As the sharing economy

continues to evolve, critical scrutiny and proactive policy interventions are essential to mitigate its extractive tendencies and steer it towards a more genuinely equitable and sustainable future.

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