



“Sharing,” or “Gig,” Economy Catching Flak From Democrats

The “sharing” or “collaborative” economy — often derided by statist politicians as the “gig” economy — [continues to explode](#) with new applications, aided by the Internet, coming on stream almost daily.

A few are well known: Uber, Lyft, and Airbnb. But others, such as Zaarly, TaskRabbit, and DogVacay, are expanding rapidly as well, thanks to the unique combination of individuals seeking flexibility, income, and opportunity without the confines of the corporate world, and thanks to the Internet. And it’s starting to drive those who would control everyone everywhere crazy.



Charles Cooke, at National Review Online, spelled out the reasons for the growth of the sharing economy using Uber as an example:

For us [consumers], the arrival of a system such as Uber is salutary, not scary: It is an end to waiting in the rain for a state-approved cab; it is the key to a transportation experience a cut above that which is provided by the cartels; it is the source of golden opportunities for those who wish to construct odd or custom-built work schedules or to make money without answering to a boss. That a few ingenious programmers have found a way around the artificial scarcity, state-union collusion, and high barriers to entry that The Man has seen fit to impose is, in our view, an extremely positive development.

More of this, please!

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But for big-government liberals such as Mark Warner and Hillary Clinton, this is troubling. For Warner the growth of independent businesses comes because the government has been slow to react, failing to enact “rules” and “regulations” and “guidelines” to be enforced by various unnamed government agencies to keep things under control. Writing in the *Washington Post*, Warner warned,

The U.S. workforce is increasingly composed [of] freelancers, independent contractors and the otherwise self-employed. Yet Washington has mostly remained on the sidelines....

As many as one-third of U.S. workers now find themselves piecing together two, three or more on-demand work opportunities to make a living....

This means that companies do not have to pay costs such as health insurance or retirement benefits. They also typically do not pay a share of unemployment or workers’ compensation coverage.

This is a terrible state of affairs, says Warner. What if something happens? What if one of these daring



Written by [Bob Adelman](#) on July 16, 2015

entrepreneurs who are shunning the corporate world gets sick, or becomes disabled? Who will take care of them?

These workers, even if they are doing very well, exist on a high wire, with no safety net beneath them. That may work for many of them — until the day that it doesn't.

That's also the day that taxpayers could be handed the bill.

There, in full throat, is the Progressive philosophy: Government must provide the safety net. Individuals can't or won't, and somebody must. Warner thinks that's up to the government.

So does Hillary. In her economic policy speech on Monday in front of hundreds of adoring contributors at the New School, she attacked the "gig" economy:

Many Americans are making extra money renting out a spare room, designing websites, selling products they design themselves at home, or even driving their own car.

This "on demand" or so-called "gig economy" is creating exciting opportunities and unleashing innovation but it's also raising questions about workplace protections and what a good job will look like in the future.

Naturally, she is unwilling to let individual citizens determine what that future looks like for themselves.

In the meantime, millions already are figuring out their futures without her help. As Slideshare.net explains:

Rather than buying new goods from big brands, customers buy pre-owned goods from each other on eBay. Rather than hiring a moving company, customers get moving help from TaskRabbit. Rather than owning a car, customers share cars on demand via Car2Go. Rather than staying at hotels, customers stay in homes through Airbnb. Rather than getting a loan from a bank, customers borrow from each other through Lending Club.

The number of individuals discovering their futures for themselves through the "collaborative" economy is enormous. According to Slideshare, "sharers" make up roughly 40 percent of the population. Other studies put the number at 80 million people. And still others are predicting that number could double in the next 12 months.

Uber already has services available in 58 countries, while Lyft, founded less than three years ago, already operates in 65 U.S. cities. Car2Go is the largest car-sharing company in the world, with over a million members. Lending Club has already originated more than \$7 billion in loans. Airbnb has a million listings in 34,000 cities in 190 countries. TaskRabbit has just reinvented itself with its goal of being the "Uber of everything." Etsy has 54 million users with 29 million items listed on its website. In 2014, Etsy clocked total sales of nearly \$2 billion.

It's no wonder statisticians such as Warner and Clinton are getting nervous. The "sharing economy," enabled by the Internet, is simply getting away from them. It's disrupting traditional business models while allowing job seekers the freedom to decide for themselves what they will do, where they will work, and for whom and for how long and for how much. And all without government interference.

As an added bonus, statisticians Democrats, if they continue to press the matter, run the risk of alienating 80 million Americans who would prefer to be left alone in determining their futures.



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