

Karen Telleen-Lawton: Sharing Economy — Beg, Borrow or Buy

By Karen Telleen-Lawton, Noozhawk Columnist | Published on 10.21.2013 3:23 p.m.

I'm looking at online photos of an apartment in Istanbul, right in the heart of town. It looks comfortable, if not luxurious, and the cost is, well, somewhere between practically free and prohibitively expensive.

That's my attitude, anyway, after checking out [HomeExchange.com](#). In exchange for housing in Istanbul, we would deliver to the apartment's owner equal time (more or less) at our Santa Barbara home.

The sharing economy has made a comeback. Trading labor and goods was common in early American days, when ranchers and farmers helped their neighbors raise barns, brand cattle and harvest crops in exchange for labor on their own properties. In the last century we transitioned to a society of store-bought goods, a house for "every" family, 2.28 cars per household and more televisions than people. But several factors have combined to bring back sharing's popularity.

The most obvious is the Internet. With a few finger taps, it's relatively easy to find people with whom to trade. You can find a room for a night or two on [AirBNB](#), a ride to L.A. or San Francisco on [ERideShare](#), or a [Zipcar](#) if you're associated with [UCSB](#). Borrow a boat on [Boatbound](#), office space at [Desktime](#) and (see if you can guess this one) at [ParkatmyHouse.com](#). [SnapGoods](#) helps you trade consumer goods in your neighborhood or social network. You can find just about anything on [Craigslist](#).

Nevertheless, the Internet couldn't make sharing succeed if people weren't so inclined. In our slower, more sustainable-growth economy, sharing makes good use of people's slack resources. It's efficient. It allows consumers to try out several options before buying. Some items we only rent now, such as **Netflix** movies. Pollsters tell us many Millennials have eschewed the buying mentality altogether.

In **The New Yorker**, **James Surowiecki** cautions that as the sharing industry expands, regulations are likely to be implemented to deal with issues of consumer safety and owner liability. Owners are currently "piggybacking on trust consumers feel in what is typically highly regulated economy," he says.

Another issue is competition with traditional taxpaying providers such as hotels. Just a couple of weeks ago, the **City of San Luis Obispo** confirmed that short-term renting of rooms in one's home is against residential zoning codes. Bye-bye, SLO AirBNB.

Meanwhile, I just returned from my second use of AirBNB in Palo Alto, reducing the cost of attending my college reunion. The accommodations were clean, if not elegant. In-home overnight bedroom rentals won't squelch the **Four Seasons**, but it can be a nice way to meet people, as ours proved to be.

Surowiecki finishes his article by addressing the tradeoffs for the provider. Becoming a free-agent nation has advantages, such as setting your own hours and working conditions. But there are no retirement or health insurance benefits and no steady paycheck.

"You're always hustling," he concludes. "It can be a heck of a

lot of work."

In the case of the home exchange, much of the work is in developing the trust necessary to hand over the keys to a foreigner who lives halfway around the world. Would our home sustain damage or be burglarized by a nefarious exchanger? My good friend Christy has already arranged a home exchange with a couple from Switzerland. I'll let her try it first.

— *Karen Telleen-Lawton's column is a mélange of observations spanning sustainability from the environment to finance, economics and justice issues. She is a fee-only financial advisor (www.DecisivePath.com) and a freelance writer (www.CanyonVoices.com). [Click here to read previous columns](#). The opinions expressed are her own.*