

The other side of the coin

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The sharing economy has its good and its bad

The term “sharing economy” has only been around for a decade, after it was first introduced by Professor Lawrence Lessig from Harvard University.

The sharing economy is an economic model often defined as a peer-to-peer (P2P) based activity of acquiring, providing, or sharing access to goods and services that are facilitated by a community-based online platform. This structure is also known as collaborative consumption, or collaborative economy, or peer economy.

When we think of planning to reach to work quickly, we’d imagine a Pathao, Shohoz, or Uber ride. A portion of the population can use this exact service as a source of a side income -- that’s a typical example of the sharing economy.

The concept is dependent on information technology, utilizing custom-made application software for specific purposes. The ride-sharing applications, for example, show maps of the areas and available ride-sharers around the customers, and calculate the estimated price to be paid to reach the destination.

Although sharing economy claims to be an inclusive concept, we must ask if it really is so, as it has a compulsory need for a smart-phone device and internet connection to avail the services.

Hence, the shared economy is conditional, and eliminates 65% of the 150 million phone subscribers in the country, leaving out a massive number of 97.5 million subscribers who do not have a smart-phone.

Even with the remaining chunk of 52.5 million smart-phone subscribers hopefully utilizing the device for online services like Pathao and such, there are complaints or questions arising from users which can hurt the reputation of the company or industry if not handled properly at the right time.

One such concern from users in Bangladesh's rising shared economy services is the trust issue of such P2P service providers. There have been social media posts of harassment stories happening within this system. One a ride-sharing customer faced such a situation where the rider made inappropriate gestures and later troubled her over the phone.

She is not the only one facing such harassments, as evident from more of such similar posts on Facebook. There has been, so far, no knowledge of any regulatory action taken against the offender's behaviour by the ride-sharing company, even after official complaint by that rider on Pathao's app.

The other concern of the customers is about safety. In the context of Pathao, a user, Shujauddin, states: "It takes zero driving skills and a stash of money to get a driving license in this country. Having that license and proper paperwork shouldn't be the only qualifications required to become a rider. There should be tests to check if the rider is actually able to ride/drive properly. And if he/she can safely carry passengers."

The recent accident at the Airport Road killing the Pathao passenger demonstrates the fatal result of such ignorance of safety measures. Pathao has, after this accident, taken initiatives to provide helmets for its riders, and also requiring the riders to carry additional helmets for their passengers, although this is not enforced and practiced by the riders as much.

Besides, there have been reports of other injuries in accidents from reckless driving by some Pathao riders. Under such circumstances, Pathao offers the injured passenger a promo, which is pointless.

One passenger stated: "They compensated me with a Tk100 promo. But how do they allow such bikers to be hired for their service? Who will take responsibility if there is a big accident? And what would I do with a Tk100 promo then?"

It is as if they are trying to ignore the facts by luring customers with promo codes.

There also arises the fact of immoral behaviour that is conducted when bikers often take detours, clock in before pick up, and demand extra fares in the name of faulty readings.

There have been several reporting in this context, where the biker asks for extra fares with trickery or misbehaviour. The license and paperwork to verify a rider is not enough, it seems.

All the attention is diverted in the name of the facility of rating the experience. What is required is a proper control on the clearance of riders for security, an instant action on harassment and immoral behaviours, and proper compensation for injuries in any accidents.

On the path of development, negligence of such complaints and limitations might ultimately cause trouble for the possibilities that this growing industry is creating.

The sharing economy is definitely adding value to our society -- no question about it. But what's concerning is that there is no solid data or research available as to just how much it is contributing to the economy.

If the ride-sharing platforms were actually that brilliant, and were proving to always be true to their claims, shouldn't Dhaka city have turned into the city of our dreams by now?

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