Investing in the Future

Economic Inequality, Climate Change and The Sharing Economy

2015
INVESTING IN THE FUTURE:
ECONOMIC INEQUALITY, CLIMATE CHANGE AND THE SHARING ECONOMY

Youth perspectives on the challenges of tomorrow

The world and the societies of today are plagued by numerous challenges. The worrisome effects of climate change, the consequences of the economic and financial crisis, and rising inequalities are only some of the problems governments are facing.

As the leaders of tomorrow, young people’s voices should be an integral part of the debate. Not only can they contribute through innovative ideas, but they can also promote pioneering solutions to today’s problems.

In an effort to bridge the distance between young people and policy makers, FutureLab Europe sent a delegation of four of its members to the 2015 Forum of the Organisation for Economic Co-operation and Development (OECD), which every year brings together leaders and experts from several policy areas to debate the most pressing social and economic challenges.

FutureLabbers Ana Luisa Correia, Marian Cramers, Efehan Danisman and Nathalie Straker joined the OECD Forum crowd – composed of former and current heads of state and government, top CEOs, leaders of key NGOs and trade unions and prominent members of academia and media – actively participating in different sessions, sharing their views and formulating policy solutions on how to shape a better future around the five Forum themes: Investment, Inclusive growth, Innovation, The New Climate Economy and Sustainable Development Goals.

Stemming from their participation in the OECD Forum, FutureLabbers reflected on today’s challenges, such as climate change and economic inequality, and opportunities, such as the sharing economy, analysing them from their perspective and continuing the debate in a written form once the Forum finished.

This publication collects some of their views and tries to promote the active inclusion of young people’s perspectives in the debate on the challenges of today and tomorrow.

Nathalie Straker analyses some of the problems related to economic inequality and recommends concrete actions, such as a mandatory minimum wage, quality apprenticeship schemes and a change in corporate mentality, in order to promote equality of employment and opportunities.

Ana Luísa Correia reflects on the challenges that climate change is imposing on the environment and recommends a multi-stakeholder approach in which governments, business, cities and civil society act together to promote sustainable growth.

Efehan Danisman debate the challenges and opportunities offered by the emerging sharing economy and advocates an active but non-intrusive government intervention to create a fair playing field for the actors in the sharing economy market, ensuring that all sectors of society can benefit from it.
ECONOMIC INEQUALITY

by Nathalie Straker

“In too many countries, economic growth has failed to lift these small boats, while the gorgeous yachts have been riding the waves and enjoying the wind in their sails.”

Christine Lagarde
Managing Director of the International Monetary Fund

Addressing an audience in Brussels, Christine Lagarde (managing director of the IMF) used this nautical metaphor to draw attention to the growing issue of economic inequality. By doing so she hoped to engage in a debate around how globally we are experiencing economic growth but are simultaneously witnessing increasing inequality. Growth is not inclusive and therefore unsustainable; the poor and middle class are “convinced that the system is somehow rigged and that the odds are stacked against them.” Lagarde concluded that “lifting the “small boats” is not just morally and politically correct, but is good economics.”

This discourse is not new; earlier this year inequality was one of the top issues discussed at the World Economic Forum in Davos and was also a major talking point at the OECD forum. US President Barack Obama has even described it as the “defining issue of our time”.

So what do we mean when we talk about economic inequality? A complex issue and no doubt intrinsically linked to other types of inequality (gender, race, disability, class), it may be defined as an imbalance in the overall economic distribution characterised by income, pay and wealth.

Although such imbalances have been considered inherent in society, in the last decades there has been a sharp increase in income gaps; in the 1960s US, the famous 1% had 8% of total income, today it is 20%. Things aren’t much better across the pond; in the UK for a similar period this figure has risen from 5% to 15%. Economic inequality is not just a domestic problem; just 67 billionaires possess as such wealth as the poorest 3.5 billion people in the world. These global disparities have become ever more starkly evidenced by the current EU migration crisis – a symptom of global inequality and a clear indication that better and fairer wealth redistribution is required.

However, the picture is not so stark everywhere; the IMF draws attention to the Nordic countries that boast the highest levels of equality and social mobility in the world. Perhaps taking a leaf out of the ‘Nordic method’ book, which Swedish Minister Kristina Persson evoked during a
meeting with Futurelabbers at the OECD forum, is the correct approach.

Nonetheless, a discussion on economic inequality is a discussion on economic systems and so paves the way for ideological divergences. Some commentators, such as the French economist Thomas Piketty, feel that capitalism is failing is evidenced by the rise in inequality. Indeed, one of the commentators during the session on addressing inequality at the OECD forum boldly stated that ‘trickle-down economics’ hasn’t worked. On the other side of the fence there are those who argue that capitalism has “succeeded spectacularly”10 and who believe that greed is part of human nature and that an “attack on capitalism is an attack on human nature itself”.11

Excessive economic inequality is tough to alleviate; within a country it may mean putting up taxes. However, in an increasingly globalised world, it is obvious that global approaches to such issues are very much needed. This issue is of particular concern to young people; if current trends continue we will be consigning ourselves to an ever more unequal world. We are also some of the most likely to find ourselves at the bottom end of the scale, hit by high unemployment, low wages and insufficient levels of education.

In this report I will seek to consider three points of interest relating to economic inequality and propose policy recommendations that may be implemented on a domestic or multilateral basis.

Employment and inequality

As income, pay and wealth are the defining characteristics of economic inequality, it is not surprising that employment (or the lack of) is a major source of the latter. Unemployment figures in the EU rose steadily in the period of the 2008 financial crisis and are only just beginning to tail off.12 Those aged below 25 consistently make up the highest percentage of unemployed.13 More apprenticeship schemes should become available for young people not in education or employment allowing them to gain supplementary work experience and practical skills. Similarly there appears to be a need to adequately harness the insertion of migrants (particularly asylum seekers) into the labour market and therefore allow them to become fully functioning members of society. The recognition of diplomas and professional qualifications across borders should be facilitated in order to allow migrants to be more competitive on the job market and to make up shortfall in particular key sectors.

Although getting people into work is the first step towards bridging the gap in economic inequality, a real issue is wages. This topic was highlighted at the OECD forum in a talk called ‘Living on $2 a day’, where the issue of the “working poor” was presented; in order to raise people out of poverty their dignity must be restored and so they must be remunerated fairly for their work. Living wages (based on the cost of living)14 must become the new mandatory minimum wage, thus allowing employees to make a decent living. Furthermore, this ideology of fairness must be extended to trade partners elsewhere; ensuring that Fair Trade principles are respected, particularly when dealing with emerging economies, will allow for more inclusive growth.

The future of employment appears to be dominated by technology, with reportedly 53% of all jobs to be replaced by new technology by

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In this context, appropriate training and skill building throughout employees’ career is essential in order to secure labour security for all for years to come.

Equality of opportunity

Having a well-rounded education is undoubtedly one of the best ways to ensure equality of opportunity and, as a consequence, access to the labour market. In order to make sure that this is available to all young people, whatever their social background and aspirations, a wider variety of post-18 education paths should be provided, including fairly paid apprenticeships and mixed degrees (theory and practical work experience) for a nominal fee.

Furthermore, it is clear than even if educational options are widely available, young people coming from more affluent households – where they generally receive more information about education and future careers – are at a natural advantage when it comes to accessing education and employment opportunities. Career guidance should be a part of the primary and secondary education systems so that all children grow up aware of the opportunities available to them, and can make the appropriate choices at each stage.

In order to attempt to address the lack of equal opportunities on a global scale, states and education institutions should collaborate across borders to provide online education support for free. Resources should be made available to both teachers and students alike.

Corporate mentality

Some of the biggest winners of the current global economy are multinational corporations that appear to operate by their own rules and are accountable to no one. One of the ways that this attitude has been demonstrated has been through the establishment of controversial tax structures that result in diminutive tax bills for big corporations, or in the most extreme of cases, no tax bill whatsoever. States must continue the work started at the G20 and the OECD in order to tackle abusive tax structures, allowing for a better redistribution of corporate wealth.

An interesting concept regarding the responsibility of business schools was raised in the OECD IdeasLab ‘Shaping our Future Leaders’. The idea was that these elite institutions created the future business and political leaders and so had a responsibility in ensuring that they were socially minded and possessed integrity, alongside classic business skills. The shift from ‘stakeholder capitalism’ to ‘shareholder capitalism’ was also detailed, with this latter system being a source of today’s economic inequality. It therefore seems appropriate to ensure that elite institutions and business schools take responsibility for ensuring that future leaders are socially aware and move further towards the ideals of ‘stakeholder capitalism’.

15 Swedish Foundation for Strategic Research, Vartannat jobb Automatiseras, 2014
CLIMATE ACTION: ALL TOGETHER NOW?

by Ana Luísa Correia

“The scientific reality of climate disruption and its serious consequences are now established. The means to act exist and are known. The expected benefits of such global action are clear. Political will now needs to be sufficiently strong for each country to commit itself, so that, based on the results achieved in Lima in December 2014, an ambitious agreement can be reached in Paris in December 2015”. 18

Manuel Pulgar-Vidal
Peruvian Minister of Environment

Laurent Fabius
French Minister of Foreign Affairs

Economic growth should always go side by side with environmental protection. However, the 21st century has registered several man-caused, irreversible environmental damages, such as the California drought and the heat wave in India. These events have not only exposed the systemic failures resulting from the lack of a comprehensive strategy to deal with climate change, but also highlighted the need to come up with a global plan to fight the negative consequences of global warming and of some industrial practices.

In the last twenty years, there have been several attempts by governments and international organisations to come up with an effective and comprehensive strategy to tackle climate change. A worldwide discussion on a global response to climate change was initiated at the 1992 Rio Earth Summit. At the Summit, the United Nations Framework Convention on Climate Change (UNFCCC), which envisaged the reduction of the concentration of greenhouse gases (GHGs), was adopted. 19 Other initiatives followed, such as the 2005 Kyoto Protocol, the 2007 Bali Action Plan, the Copenhagen Agreement in 2009, imposing a limit of 2°C to global warming, and the Cancun Conference that established two institutions aimed at mitigating climate change; the Green Climate Fund and the Technology Mechanism.

Stocks on the implementation of the UNFCCC have been taken regularly at every annual Conference of Parties (COP) since the first COP took place in Berlin in 1995. This year, at the COP21 Climate Summit, 20 scheduled to take place in December 2015, world leaders will try to find an agreement on the most challenging goals in 20 years of negotiations on climate change: establish a legally binding, universal agreement on climate, and preventing global warming from exceeding 2°C. A consensus on a similar agreement would provide the road towards sustainable and low-carbon economies and the inclusion of all stakeholders will be vital to reach a fruitful and global commitment. As a result, I will focus my analysis on four different actors that could shape the future of climate change mitigation – Government, Private sector, Cities and Civil Society – and on the synergies between them.

The Role of Governments

As they hold the largest share of power, governments have the biggest responsibility in fighting climate change. Their intervention and commitment are essential to ensure a successful conversion to environmentally-friendly economic growth.

Even though they tend to recognise climate change as a crucial issue for the future, a misalignment between governments’ political will and actions persists. Resolving this conflict is key to solve environmental problems. Two of the most prominent examples of incoherence in governments’ actions are explained below:

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18 Joint statement by Manuel Pulgar-Vidal and Laurent Fabius, Chairs of COP20 in Lima and COP21 in Paris (December 29, 2014)
19 The UNFCCC entered into force in April 1994 and as of March 2014 it has 196 parties.
20 Also referred as the 2015 Paris Climate Conference.
- **Supporting the consumption and/or production of fossil fuels (higher-carbon investments) and taking advantage of low energy prices of fossil fuel energy sources**

It seems that governments’ intentions to promote and pursue the production of renewable energy at the cost of fossil fuel energy sources, tend to follow the price fluctuations of Brent Crude. Hence, whenever oil prices rise, governments increase their efforts regarding renewables and call climate change a political priority; if, however, the situation is inverted, this pursuit is interrupted and seen as a second priority for energy generation. Consequently, all over the world, governments continue to make paradoxical investments that limit the impacts of climate change mitigation, such as coal conversion in China, coal-fired generation in ASEAN countries, the oil sands in Canada, favourable taxation and investment allowances for North Sea oil and gas producers in the UK, and shale gas and oil production increasing at a fast pace in the US.

- **Industrial agriculture**

Industrial agriculture – the *system of chemically intensive food production* – is characterised by big areas of single-crop farms and animal production facilities. This is the reality of, for instance, the majority of American farmlands. There are worldwide concerns that perpetuating such a system of production is not sustainable in the long term as it has negative effects on the environment, public health, and local communities living nearby. Herbicides and insecticides that are abundantly used in intensive monoculture can harm both wildlife and human health and these areas contribute to the propagation of oxygen-deprived areas (the so-called *dead-carbon areas*).

Taking these incongruences into account and the risks they pose to our future, is there a way of making governments focus on long-term goals instead of short-term aspirations, so that they can tackle climate change effectively? Will the COP21 Climate Summit of December 2015 be able to legally bind them to a general goal and will that be enough for governments to take action?

Very much like the private sector, government officials and politicians weigh short-term benefits (*profits*) against possibly controversial but long-term beneficial policy measures (*risky, uncertain investments*). So, if energy prices for consumers are low, the incentive to keep channeling taxpayers’ money towards new investments in renewables and new environmentally-friendly technologies are low. For them, it could make the difference between winning and losing the next elections. In addition to this, governments can also be affected by a *growth dilemma*, as structural adjustments towards a *green economy* are believed to hamper growth today. This is particularly felt as being relevant for the countries most hit by the economic and financial crisis, who are desperately seeking economic recovery, and also for *developing countries* still in their initial stage of development. Hence, the only way for these countries to deal with such a “failure” of efficiency that compromises the future is to publicly denounce it and to advocate for possible policy solutions. *Show them precisely those sources of inefficiency and how to best tackle them*, just like in a win-win situation.

**Developed countries** have a role to play in this respect and in the words of Angel Gurría, Secretary-General of the OECD, “a particular priority will be to encourage long-term investment financing the transition towards low-carbon economy and lowering capita costs. Developed countries have committed to mobilise climate finance – from public and private sources – to support developing countries” in this transition. However, this *transition can only work if low-carbon, energy-efficient systems are given a priority status*. For decades, the economic growth and industrial development of most developed economies have been built on fossil-intensive methods. Now developed countries need to promote a change in the foundations of economic growth in developing countries by

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providing them with new and technological skills for building strong, reliable, and carbon-free economies and societies.

With regard to the negative environmental impact of industrial agriculture, governments could mitigate them by promoting ecological agriculture and organic farming. As environmental activist Vandana Shiva suggested; "ecological agriculture and organic farming could be the solution to our carbon problem because they repair the broken carbon cycle. Organic practices generate up to 160% more organic matter in the soil. We can fix the carbon cycle by taking carbon out of the air where it does not belong, and instead nourish the plants". At the same time, she argued that it could "solve the food and hunger problem and reduce global poverty" with savings for the governments along the way.

Moreover, more governments should put a price on carbon emissions and support the development of new technologies that promote the storage – and hence, solve the problem of intermittency – of renewable energy production. These measures are crucial for guaranteeing the energy supply in the network as an alternative to peak-load demand and fossil-fuelled energy generation. In parallel, a carbon tax combined with energy efficiency investments can also prove to be a source of savings.

The Role of Businesses

Very often, companies seek short-term profits, at the expense of long-term sustainability. This situation was definitely aggravated by the economic and financial crisis. Governments should therefore support an 'Energy transition plan' and allow companies operating in the most depressed sectors to move forward with the energy conversion, without undermining their competitiveness. The goal should be that in the long run, companies improve their solvability and become less prone to the negative impacts resulting from external shocks and risks.

Governments and the private sector need to sit together and discuss how to make the shift from a coal-based economy to a low-carbon economy. This implies the identification of new 'energy jobs', and the adaptation of human capital so that workers have the required skills to work in these new industries. This idea has actually been widely publicised in the context of the EU's plan to establish an Energy Union, with green jobs as a way to boost employment in the European Union.

The Role of Cities

According to the OECD, "cities generate around 80% of global economic output, and use around 70% of global energy. 54% of the world's population lives in cities today, and this figure is expected to increase to 70% by 2050". Given this data and estimations, it is obvious that the adjustment towards the 'new economy' should include cities as major players in this process.

At the moment, there is a lot of room for improvement in this area with new strategies needed for both, (i) retrofitting existing cities to make them more sustainable and (ii) building new zero-carbon cities from scratch.

The Climate and Clean Air Commission came out of COP15 with an interesting initiative, under which environmentally-friendly ‘mentor cities’ are paired with less sustainable, ‘learning’ ones, allowing the latter to replicate environmentally sustainable programmes. A promising example of a smart and sustainable city is Masdar City, a town in the United Arab Emirates often referred to as zero-carbon city, because it only relies on energy and other renewable energy sources.

The Role of Civil Society

Finally, civil society has an important role to play in shaping the future of climate change mitigation. At the OECD Forum, Sharan Burrow, General Secretary of the International Trade Union Confederation, shared the results of a poll showing that 73% of the respondents want action to be taken on pollution; as much as 90% of people want the government to act and 79% of them want the government to act in the next 12

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months. Citizens want governments to become accountable for the decisions they undertake today that can compromise theirs and their loved ones’ future. **Therefore, civil society can play an active role in fighting climate change, by lobbying governments to adopt environmentally-friendly laws** and by rewarding political forces on the basis of the attention they give to environmental issues.

In addition to demanding change from governments, **citizens need to change their consumption behaviour**. The low energy prices due to cheaper energy generation from oil, coal and gas-fired power plants have encouraged consumption all over the world, leading to an increased demand for fossil fuels. Therefore, it is paramount that citizens feel their share of responsibility in reducing climate change as well. **Governments** need to do their part, by promoting a shift in people's mentality, for example through environmental awareness education programmes combined with campaigns informing the general public about new environmentally-friendly technologies. There are some signs of progress in this field: for instance, the Portuguese Energy Regulatory body subsidised solar panels or sustainable heat-producing equipment (and hence decreased the cost for consumers), which led to increased demand for these types of products.

Against this background, what outcome can we then expect from COP21? With the full engagement of all economies of the world, both developed and developing states, perhaps it will be possible to slow the *carbon clock* down. But it is critical to make sure that all the aforementioned stakeholders are on board for any commitment to be regarded as credible. A set of sticks should also be adopted and monitoring the progress of every state and imposing sanctions on those who miss the targets could and should be done. It is not yet clear whether the COP21 climate targets will be ambitious enough, but for all our sakes, it’s better that they are: after all, they are our only hope of making a real change.
DIFFERENT WAYS OF CONSUMPTION

by Efehan Danisman

"Young people do not want to own things, they want to have access to those things"

Dirk Pilat

OECD’s Deputy Director for Science, Technology and Innovation

This sentence, said by Dirk Pilat, Deputy Director of the OECD’s Directorate for Science, Technology and Innovation is the key to understanding why the sharing economy is booming. Young people now do not want to own a car but rather prefer to have access to one on demand; they prefer to stream music rather than download or buy it. We used to have a bunch of compact disc bags and now we don’t even remember where they are. The sharing economy offers a more sustainable way of consumption by using idle resources. This is crucial, particularly with regard to two issues that challenge Europe today: the global economic crisis and climate change. The global economic crisis hit the most vulnerable groups and the sharing economy gives people access to certain goods and services at an affordable price. In a way, the crisis acted as a catalyst for the sharing economy, as demonstrated in Greece, where the sharing economy sector boomed after the crisis. At the same time, the debate on climate change raised the world’s level of environmental awareness and the sharing economy allows people to use existing resources in a smarter way.

In Europe, the sharing economy already contributes to an estimated 4% of GDP, however, its potential is much higher – up to 10% according to Axelle Lemaire, Secretary of State for the Digital Economy at the French Ministry for the Economy, the Industry and the Digital Economy, who intervened at the OECD Forum. Given its growth and innovation potential, the sharing economy will definitely play a key role in the future. In this article, I will shortly present the debate on the definition of ‘sharing economy’, focus on its opportunities and challenges and present my suggestions to boost its benefits.

Sharing economy: how to define it?

While the debate on the sharing economy’s risks and opportunities unfolds, a clear, commonly accepted definition of this new phenomenon is not yet available. As it emerged at the OECD Forum, the French government – a forerunner in this field together with the Netherlands and the UK – defines it as “sharing, buying, co-producing goods and services directly from individuals”. However, this definition overlooks what seems to be a key factor of the sharing economy: the internet. Internet is the key enabler of sharing economy services and companies, as it acts as a matchmaker: on the internet, sharing economy platforms match the demand for certain goods or services by some people with the ownership of those goods and services by other peers. As the Founder of the platform Peerby Daan Weddepohl pointed out at the OECD Forum: what makes the sharing economy possible is the method through which the sharing happens on the internet, and only secondly the content which is then made available to everyone via the internet.

The lack of a common definition makes it difficult to agree on what can be comprised under the sharing economy label. For example, many agree that Uber – which has more than 1 million riders per day – and Airbnb – which accommodates tens of thousands of people every day – rather belong in the commercial activities sector than in the

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23 In economics, the term “idle resources” refers to money, capital or labor that is being wasted. Car sharing, for example, reduces the time in which cars lay idle/are wasted.

24 Peerby is an online marketplace that matches people that are in temporary need of a specific object, with those that are in possession of the object and are willing to lend it.
sharing economy. But where to draw the line then?

*The Role of National Governments: striking the balance between promoting and regulating*

Despite a lack of definition, the sharing economy opens a window of opportunity in the fields of innovation, re-organisation of work, democratisation, and collaboration between service providers, consumers and platforms that facilitate exchange. While many are suspicious about government intervention in this field – claiming that it will harm the development and potential of sharing economy services – a certain degree of government intervention can help to regulate this phenomenon and fix certain problems related to the sharing economy. According to the French Secretary of State for the Digital Economy Lemaire, “the French government is not against people using sharing economy and creating income with it, it is against using sharing economy for commercial purposes while avoiding tax obligations.” For instance, several cities have imposed tourist taxes on hotels and other tourist accommodations. However, individuals who offer such accommodations via Airbnb can bypass this obligation. In this case, governments should step in again to make sure that the same rules apply to all. For instance, in Amsterdam, the local municipality cooperated with Airbnb, and they came to the agreement that the property rental service will collect the tourist tax from hosts and remit it to the city on their behalf, ensuring that Airbnb users and hotels are competing on fair grounds.

In addition to this, in the sharing economy, the ‘first-mover advantage’ – the advantage gained by being the first on the market segment – creates a significant disadvantage for others since one platform or company can take over the whole market very quickly, creating a monopoly. Lemaire stressed that the French government is aiming to regulate the sharing economy market in order to ensure a level playing field and protect consumers from monopolisation. **This strategy should be tailored in such a way that does not hinder the proper functioning of the sharing economy**

**market.** The government should have a proactive engagement with the sharing economy in order to create a level playing field for newcomers, without preventing the sharing economy from blossoming. The French government’s approach sets a positive example and similar actions are expected to follow from other governments in order to catch up with the new economy.

*The European Union: the missing player*

Not only national governments, but also the bureaucrats and politicians at the EU level need to act. It is worrisome that the sharing economy is still not on the European agenda. This is something that needs to be changed given the importance of the topic for the future of our economy and society. Even though sharing usually occurs in your immediate neighbourhood, **supporting a pan-European strategy for sharing platforms would be beneficial for the continent.** Using our resources more sustainably, along with creating new jobs is of the utmost importance considering the increasing level of unemployment among young Europeans. In addition to this, thanks to platforms such as BlaBlaCar and Airbnb, the sharing economy allows cheaper travelling and boosting it could support the mobility of young Europeans, promoting the development of a European identity. Therefore, the European Commission should seriously think of making it a policy priority.

**Challenges and Opportunities**

Besides the risk of monopolisation and tax avoidance, this new way of sharing goods and services creates other challenges as well, such as, for example, the risks associated with job flexibility and the implications for intellectual property rights. As a consequence, the sharing economy will interact with two important socio-economic factors: the levels of trust in society and job security.

The economic crisis has clearly paved the way for the success of the sharing economy, but it has also had a negative impact on an important aspect of our societies: trust. And as trust is at the heart of the sharing economy model, it is important to
address how to increase trust levels in places where they are particularly low, so that the sharing economy can thrive in those places as well. According to Pew Research\textsuperscript{25}, in several European countries including France, Spain and Italy, less than 50\% of citizens trust their peers. Government regulations to protect users and service providers could facilitate the functioning of the sharing economy where trust levels are not high enough. While these regulations should not go beyond drawing a framework for consumers and service providers' protection, promoting the sharing economy model and enhancing the level of trust could be seen as a mutually reinforcing process: if the sharing economy proves to be successful, people will be more inclined to trust their peers.

Secondly, not enough attention is devoted to measuring the impact on jobs and quality aspects in the sharing economy debate. Job creation is easier to measure than the social change triggered by a sharing economy. However, this also needs to be discussed and measured. What will happen to people who lose their jobs due to the sharing economy? What types of social security are workers in the sharing economy entitled to? A discussion on these issues is important too and should be part of the debate.

Change is here and it is happening at a dizzying speed. Young generations who will lead in the future are catching up quickly and public policies should do the same. The sharing economy model is offering a new, sustainable way of doing business and creates value for the environment, people and society. As pointed out at the beginning of this article, young people are looking for access to things rather than owning them. But can the sharing economy completely replace the traditional way of doing business? I don't think so. However, it can challenge businesses to act in a more sustainable way and complement the existing economic system. The sharing economy will continue to develop in Europe and beyond and young people will be the pioneers in this process. Personally I feel thrilled about the future of the sharing economy. Nevertheless, whether its huge potential will be fully tapped depends largely on the environment created by all the stakeholders – policy makers, service providers and final users – involved.

\textsuperscript{25} Richard, WIKE and Kathleen, HOLZWART, "Where Trust is High, Crime and Corruption are Low", PEW Research, \url{http://www.pewglobal.org/2008/04/15/where-trust-is-high-crime-and-corruption-are-low/}, last accessed on 15/07/15.
ABOUT FUTURELABBERS’ EXPERIENCE AT THE OECD

Participating in the OECD Forum provided a unique opportunity for FutureLabbers to raise their voice and be part of forward-looking discussions.

“What really interested me was how social policy was at the heart of the OECD forum. In particular, I enjoyed a session that invited a previously homeless gentleman, and now active participant of an NGO aiming to end poverty, to talk about his experiences. His life story was moving as was his struggle to change policy at a high level. The keyword used throughout his speech was ‘dignity’. It seems to me that it was also the key word to take away from the forum as it accurately encompasses the ideal which economic policy should serve – and currently so rarely does.”

Nathalie Straker

“It is important to send young people delegations to events such as the OECD Forum, making different opinions accessible to them and adding an element of “caution and rationality” to their own judgements. At the same time, young people can add a refreshing look to the future as they bring hope and the vital energy necessary to pursue new reforms, to create, to build, to connect and make happen the Change necessary to move forward.”

Ana Luisa Correia

“What including young people in events such as the OECD is a win-win situation and I feel lucky that I was a part of it. Young people can teach a lot and provide fresh perspectives on the world’s most challenging issues and even mentor the elders and leaders as it was discussed at the Reverse Mentoring session of the Forum. Hopefully those discussions will lead to actions and more young people will be able to attend such events and share their insights for the future of our planet.”

Efeskan Danisman

ABOUT FUTURELAB EUROPE

Europe has to be a “citizen project” in order to succeed. It needs fresh ideas and innovative concepts as well as a strong supportive base from its younger generations. In order to enable FutureLab Europe to exist and develop, ten European Foundations, with the help of the Network of European Foundations and the European Policy Centre in Brussels, joined forces. They are assembling experiences, resources and – most of all – their outstanding Alumni. The programme currently has 85 participants coming from 28 countries – EU countries as well as non-EU countries.

FutureLab Europe empowers young voices mainly on the topics of democracy and participation, equal opportunities on the labour market, and European identity. Participants of FutureLab Europe develop their own ideas and positions on matters of European relevance and take responsibility and actions in order to help build the Europe of the future. They share their young perspective on Europe through their blogs, in public debates and through their individual projects.

www.futurelabeurope.eu
ABOUT THE AUTHORS

Ana Luísa Correia recently graduated in economics and is looking forward to embracing new challenges linked to development, EU Affairs, social cohesion, energy and environment. From February to August 2014 she has joined a voluntary project in East-Timor where her main tasks included teaching entrepreneurship at the National University of East-Timor and conducting microcredit-related activities. She has studied in Lisbon, Copenhagen (Erasmus Program) and London (Summer School on EU issues).

Efehan Danisman holds a MA degree in EU Economics from Marmara University, Istanbul and EU International Relations and Diplomacy Studies from the College of Europe, Bruges. He is one of the founders of the Informal Education Youth Centre (YASOM) and he coordinated the centre's activities between 2011 and 2013. He was also part of the Cultural Innovators Network’s (CIN) first elected steering committee between June 2013 and July 2014.

Nathalie Straker is currently a Juriste in international arbitration at law firm Gide Loyrette Nouel in Paris. She holds an LLB in English Law and French Law from the University of Exeter (England) as well as a Maîtrise in European Union Law from the Université Rennes 1 (France).

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