

CONSUMERISM: WHERE TO?

PhD(c) Ileana-Andra Mărculescu⁶⁴

Abstract:

As an important component of the study on the consumer's behaviour is social factors that influence such behaviour, and all experts agree that family, social groups, social classes and social status have a significant role, it is highly necessary to analyse consumption from the social economics perspective. Also called "solidarity economy" or "the third sector" (among economies between the private and public sectors), social economy developed from the need to find new, innovative solutions to the social, economic or environment issues of communities and to meet the needs of the community members which are ignored or inadequately fulfilled by the public or the private sector. The primary objective of the social economy, as compared to the purpose of the market economy, is not to obtain profit but to improve the living conditions and to offer new opportunities to disadvantages people or to the vulnerable category people. Although a series of demutualisations of major cooperatives and mutual societies has taken place in some European countries in recent decades, overall, the social economy sector (cooperatives and mutual societies) has seen considerable growth, as recognised by the European Commission's Manual for drawing up the Satellite Accounts of Companies in the Social Economy. The more expensive the goods are when purchased and then are scarcely used, the more profitable the new type of consumption is for the customers who consider that it is more important to use a product than to own it.

The social role and status define the position of an individual within the group he belongs to (family, club, organisation). The role means the series of activities that are expected to be carried out by that person in relation to those around him, while the status reflects the general esteem he enjoys in that society. The consumer's behaviour reflects both his role and his status, often people choosing products that highlight their status. The "social economics" phrase makes anybody think of economics and of sociology at the same time.

More than three decades ago, German sociologist Kurt Braunreuther pointed out in his main study "Economics and Sociology" that "nobody doubts the need to elaborate deeper theoretical links between economics and sociology," which is "a task that will still take some time." Therefore, the inter-disciplinary relationship between economics and sociology is fully demonstrated, the latter having "a significant role mainly whenever problems of the entire society have to be solved, the general social relationship between many social detailed problems being often closer than one might think when addressing a new problem. A too narrow conception of the economic aspects of the entire society leads quite easily to the disregard for the obvious relation between economic and sociological issues. Being aware of the fact that numerous sociological issues are, ultimately, economically important allows for a more exact delineation of the sociological syllabus." (*Emilian M. Dobrescu, Economic Sociology, 2nd edition, Fundatia Romania de Maine Publishing House, Bucharest 2007, p 24 - After Kurt Braunreuther, Economics and Sociology in Contemporary Sociology, works presented at the 6th World Sociology Congress, Evian, 1966, in the volume Theory and Method in Social Sciences, vol. V, Bucharest, Political Publishing House, 1967, p. 388-389 (selectively)*).

For a layman, the skimming of the various definitions of "social economy" has the same result: the main objective of the social economics is the production of goods and services to the benefit of the community, with the aim of promoting the social inclusion of the persons under such circumstances that can generate social marginalisation or exclusion.

"The social economy term may sound like a strange phrase. The last decades have been dominated by many liberalist extremisms: economy must operate according to a pure logic, immune to any interference of social events. Of course, the society benefits after the economy operates and offers its yields. Therefore, the economy must be separated as much as possible from the social sphere. The current crisis has called into question many liberalism dogmas. We are more and more conscious of the limits of pure economics. But whereto should a new direction,

⁶⁴ The School of Advanced Studies of the Romanian Academy Department of Economics, Sociology and Law, e-mail: peridot.andra@gmail.com

which I would call post-liberalist, develop? I think the launch of the European social economy programme should be placed in this new context. Obviously, the social economy is not The Solution but only the preamble of a package of solutions that have to be formulated.”(*Cătălin ZAMFIR, Director of the Life Quality Research Institute, member of the Romanian Academy, Foreword to “Social Economy in Europe” published under the coordination of Sorin Cace - Expert Publishing House, Bucharest, 2010*).

Key words: social economy, consumerism, collaborative consumption

JEL classification codes: D11, D12, D91

Introduction

“People take action and involve themselves in practical activities in the society only in their desire to satisfy a need. These are consumption needs, i.e. the people’s needs to own and use goods and services. They represent motives of the human actions and surface as economic interests.”(*Crețoiu Gh., Cornescu V., Bucur I., 2011 p.29*).

As an important component of the study on the consumer’s behaviour is social factors that influence such behaviour, and all experts agree that family, social groups, social classes and social status have a significant role, it is highly necessary to analyse consumption from the social economics perspective.

The social role and status define the position of an individual within the group he belongs to (family, club, organisation). The role means the series of activities that are expected to be carried out by that person in relation to those around him, while the status reflects the general esteem he enjoys in that society.

The consumer’s behaviour reflects both his role and his status, often people choosing products that highlight their status.

The “social economics” phrase makes anybody think of economics and of sociology at the same time.

More than three decades ago, German sociologist Kurt Braunreuther pointed out in his main study “Economics and Sociology” that “nobody doubts the need to elaborate deeper theoretical links between economics and sociology,” which is “a task that will still take some time”. Therefore, the inter-disciplinary relationship between economics and sociology is fully demonstrated, the latter having “a significant role mainly whenever problems of the entire society have to be solved, the general social relationship between many social detailed problems being often closer than one might think when addressing a new problem. A too narrow conception of the economic aspects of the entire society leads quite easily to the disregard for the obvious relation between economic and sociological issues. Being aware of the fact that numerous sociological issues are, ultimately, economically important allows for a more exact delineation of the sociological syllabus.”(*Emilian M. Dobrescu, Economic Sociology, 2nd edition, Fundatia Romania de Maine Publishing House, Bucharest 2007, p 24 - After Kurt Braunreuther, Economics and Sociology in Contemporary Sociology, works presented at the 6th World Sociology Congress, Evian, 1966, in the volume Theory and Method in Social Sciences, vol. V, Bucharest, Political Publishing House, 1967, p. 388-389*).

For a layman, the skimming of the various definitions of “social economy” has the same result: the main objective of the social economics is the production of goods and services to the benefit of the community, with the aim of promoting the social inclusion of the persons under such circumstances that can generate social marginalisation or exclusion.

“The social economy term may sound like a strange phrase. The last decades have been dominated by many liberalist extremisms: economy must operate according to a pure logic, immune to any interference of social events. Of course, the society benefits after the economy operates and offers its yields. Therefore, the economy must be separated as much as possible from the social sphere. The current crisis has called into question many liberalism dogmas. We are more and more conscious of the limits of pure economics. But whereto should a new direction, which I would call post-liberalist, develop? I think the launch of the European social economy programme should be placed in this new context. Obviously, the social economy is not The Solution but only the preamble of a package of solutions that have to be formulated.”(*Cătălin*

ZAMFIR, Director of the Life Quality Research Institute, member of the Romanian Academy, Foreword to "Social Economy in Europe" published under the coordination of Sorin Căce - Expert Publishing House, Bucharest, 2010)

Social economy – conceptual limitations

"The organisations of the Social Economy are economic and social actors active in all sectors, which are characterised principally by their aims and by their distinctive form of entrepreneurship. The social economy includes organisations such as cooperatives, mutual societies, associations and foundations. These enterprises are particularly active in certain fields such as social protection, social services, health, banking, insurance, agricultural production, neighbourhood services, education and training, and the area of culture, sport and leisure activities."(*Social Economy Charter of Principles, CEP – CMAF European Standing Conference of Cooperatives, Mutual Societies, Associations and Foundations, 2002*).

Also called "solidarity economy" or "the third sector" (among economies between the private and public sectors), social economy developed from the need to find new, innovative solutions to the social, economic or environment issues of communities and to meet the needs of the community members which are ignored or inadequately fulfilled by the public or the private sector.

Although the "third sector" phrase is used mainly in the English-speaking world to describe the non-profit private sector, largely consisting of associations and foundations, the "third sector" phrase is also used in continental Europe as well as in other areas being synonymous with social economy.

In the United States, Levitt was among the first to use this term, which was identified with the non-profit sector.

In Europe, this term began to be used several years later to describe a sector between the public sector and the capitalist sector, being much closer to the social economy concept.

The third sector became a confluence of various concepts, in particular the non-profit sector and the social economy, which - although they describe overlapping areas - do not match perfectly.

Moreover, the theoretical approaches developed starting from these concepts attach various functions to the third sector in the current economics.

Although there are differences from one country to another, the entire European Union displays comparable entities with similar features, even if they are not presented as part of the "social economy" and are not legally regulated in all member states.

The primary objective of the social economy, as compared to the purpose of the market economy, is not to obtain profit but to improve the living conditions and to offer new opportunities to disadvantages people or to the vulnerable category people.

The social economy gives pride of place to the observance of common values among which:

- primacy of social participants, of persons and of social objectives over capital;
- defence and implementation of the principles of solidarity and responsibility;
- combination of the interests of members/users and the general interest;
- democratic control by the members of the organisation/enterprise;
- voluntary and open membership;
- autonomous management and independence from public authorities;
- the utilisation of the essential surplus to carry out sustainable development objectives and to supply services to members according to the general interest.

Moreover, the social economy enterprises play a significant role in supporting the objectives set by governmental policies, by:

- contributing to the growth of productivity and competitiveness;
- contributing to the development of an inclusive and participative society;

- encouraging and allowing the members of the community to participate in the settlement of local problems;
- demonstrating new ways to deliver public services.

As an activity, the social economy is historically linked to popular associations and cooperatives, which make up its backbone.

The system of values and the principles of conduct of the popular associations, reflected in the historical cooperative movement, are those which have inspired the modern concept of the social economy, which is structured around three large families of organisations: cooperatives, mutual societies and associations, with the recent addition of foundations.

In reality, at their historical roots these three large families were interlinked expressions of a single impulse: the response of the most vulnerable and defenceless social groups, through self-help organisations, to the new living conditions created by the development of industrial society in the 18th and 19th centuries.

Cooperatives, mutual assistance societies and resistance societies reflected the three directions that this associative impulse took.

Although charity (charity foundations, brotherhoods and hospitals) and mutual assistance organisations had seen considerable growth throughout the Middle Ages, it was in the 19th century that popular associations, cooperatives and mutual societies acquired extraordinary impetus through initiatives launched by the working classes.

Throughout Europe, numerous mutual societies and mutual assistance societies were set up. In Latin American countries, such as Uruguay and Argentina, the mutualist movement grew considerably during the second half of the 19th century.

The first stirrings of cooperative experiments in Great Britain flowered in the late 18th and early 19th centuries as a spontaneous reaction of industrial workers to the difficulties of their harsh living conditions.

However, the socialist thinking developed by Robert Owen and Ricardian anti-capitalists such as William Thompson, George Mudie, William King, Thomas Hodgskin, John Gray and John Francis Bray soon exerted considerable influence on the cooperative movement, and from 1824 to 1835 a close connection was established between this movement and trade unions, both being expressions of a single workers' movement and having the same objective: emancipation of the working classes. The eight Cooperative Congresses held in Great Britain between 1831 and 1835 coordinated both the cooperatives and the trade union movement. Indeed, the Grand National Consolidated Trades Union was founded at one of these congresses, uniting all the British trade unions.

William King intervened directly and decisively in the development of the cooperative movement in Britain and influenced the well-known cooperative founded in Rochdale (England) in 1844 by 28 workers, six of whom were disciples of Owen. The famous cooperative principles that governed the workings of the Rochdale Pioneers were adopted by all kinds of cooperatives, which created the International Cooperative Alliance (ICA) in London in 1895, and which have made a notable contribution to the development of the modern concept of the social economy.

According to the 1995 ICA Congress in Manchester, these principles identify cooperatives as democratic organisations in which the decisions are made by a majority of user members of the cooperative activity, so investors or capitalist members, if involved, are not allowed to form a majority and surpluses are not allocated according to any criteria of proportionality to capital.

Other ways in which cooperatives differ from other companies are: equal voting rights, limited compensation for the share of capital that user members are obliged to subscribe and the creation, in many cases, of indivisible reserves that cannot be distributed even if the organisation is dissolved.

The “social economy” term appeared in economics literature for the first time in 1830. In that year the French liberal economist Charles Dunoyer published a Treatise on social economy that advocated a moral approach to economics. Over 1820-1860, a heterogeneous school of thought that can collectively be termed “the socialist economists” developed in France. Most of them were

influenced by the analyses of T.R. Malthus and S. de Sismondi, regarding both the existence of “market failures” that can lead to imbalances, and the delimitation of the true subject of economics, which Sismondi considered to be man rather than wealth. However, most of the socialist economists must be placed within the sphere of liberal economic thinking and identified with laissez-faire principles and the institutions that the emerging capitalism was to consolidate, including capitalist companies and markets.

Social economy underwent a profound reorientation during the second half of the 19th century, through the influence of two great economists: John Stuart Mill and Leon Walras.

Mill paid considerable attention to business associationism among workers, in both its cooperative and mutualist aspects. In his most influential work, “Principles of Political Economy,” he examined in detail the advantages and drawbacks of workers' cooperatives, calling for this type of company to be encouraged because of its economic and moral benefits.

Like Mill, Leon Walras considered that cooperatives can fulfil an important function in solving social conflicts. Walras' paper “Études d'Économie Sociale: théorie de la répartition de la richesse sociale,” published in Lausanne in 1896, marks a major break from the original social economy approach identified with F. Le Play's model. With Walras, the social economy became both part of the science of economics and a field of economic activity that is prolific in cooperatives and mutual societies as we know them today. Only at the end of the 19th century the principal features of the modern concept of the social economy took shape, inspired by the values of democratic associationism, mutualism and cooperativism.

Although the social economy was relatively prominent in Europe during the first third of the 20th century, the economic growth model in Western Europe over 1945-1975 mainly featured the traditional private capitalist sector and the public sector.

This model was the basis of the welfare state, which addressed recognised market failures and implemented a package of policies that proved highly effective in correcting them: income redistribution, resource allocation and anti-cyclical policies.

All of these were based on the Keynesian model in which the main social and economic actors are the employers' federations and trade unions, together with the public administration.

In Central and Eastern European countries, linked to the Soviet system and with centrally-planned economies, the state was the only economic actor, leaving no space for social economy agents. Cooperatives alone had a considerable presence in some Soviet bloc countries, although some of their principles - such as voluntary and open membership and/or democratic organisation - were totally annihilated. In the last two centuries, Czech economists came up with social economy approaches without exclusively privileging profitability. A large number of non-profit organisations during the period of the First Czechoslovak Republic followed this tradition, which dated back to the 19th century.

The consolidation of mixed economy systems did not prevent the development of a notable array of companies and organisations – cooperatives, mutual societies – that helped to address socially important and general interest issues concerning, among others, cyclical unemployment, geographical imbalances between rural areas and the skewing of power relations between retail distribution organisations and consumers. However, during that period the social economy practically disappeared as a significant force in the process of harmonising economic growth with social welfare, while the state occupied central stage. Only after the crisis of the welfare state and the mixed economy systems in the final quarter of the 20th century some European countries saw a reawakening of interest in the typical organisations of the social economy, either as economic alternatives to the models of the capitalist and public sectors, such as cooperatives and mutual societies, or as non-commercial organisations, mostly associations and foundations. This interest sprang from the difficulties that the market economies were encountering in finding satisfactory solutions to such major problems as massive long-term unemployment, social exclusion, welfare in the rural area and in run-down urban areas, health, education, the quality of life of pensioners, sustainable growth and other issues. These are social needs that are not being sufficiently or adequately addressed by either private capitalism agents or the public sector, and for which no easy solution is to be found through self-adjusting markets or traditional macroeconomic policy.

Although a series of demutualisations of major cooperatives and mutual societies has taken place in some European countries in recent decades, overall, the social economy sector (cooperatives and mutual societies) has seen considerable growth, as recognised by the European Commission's Manual for drawing up the Satellite Accounts of Companies in the Social Economy.

Major studies have highlighted the considerable growth of the social economy as a whole in Europe. One of the most significant studies, carried out by CIRIEC for the European Commission within the scope of the "Third System and Employment" pilot project, highlights the increasing importance of cooperatives and mutual societies in creating and maintaining employment and correcting serious economic and social imbalances.

After the Soviet bloc crumbled, many cooperatives in Eastern and Central Europe collapsed. Furthermore, they were severely discredited in the eyes of the public. Lately, however, a revival of citizens' initiatives to develop social economy projects has been taking place and is being reflected in legislative proposals aimed at boosting the organisations in this sector.

In conclusion, beyond its quantitative importance, in recent decades the social economy has not only asserted its ability to make an effective contribution to solving new social problems, it has also strengthened its position as a necessary institution for stable and sustainable economic growth and for a fairer income and wealth distribution, matching services to needs, increasing the value of economic activity serving social needs, correcting labour market imbalances and, in short, deepening and strengthening economic democracy.

If we make reference to our country, I cannot overlook a bitter assumption: "We think it is already late now, after 21 years of off-course transition, for Romania to adopt a "third path" for its socioeconomic development, i.e. to adopt a market economy that would stimulate its workers, paying special attention to the social sector. We lacked the political and moral will, and a certain individual mentality in order to embark on this path. Romania integrated itself, maybe unconsciously, into the global show of the nations affected by the structural crisis of the contemporary crisis..."(Dobrescu E.M., <https://opinionationala.wordpress.com/2013/04/05/a-treia-cale-de-dezvoltare-economico-sociala>).

Of course, the "CRISIS" passed over us as well (is it really over?). But if we refer to the crisis we should not forget that "All the aforementioned losses prove that mankind has learned nothing, neither have the people, from the other financial crises having previously affected the planet. People easily forget a simple thing, i.e. that money is a creation of the human mind, a theoretical construction, a convention, a general equivalent of economic goods. What must be changed is the education of how to perceive the money.

But this would mean a genuine revolution in the education of citizens, in educational systems, which take over and transfer the previous generations' knowledge enhanced by the current generation's knowledge."(Dobrescu E.M., (coord.), 2010, *Book of Crises – An Optimistic Look*, Bucharest, Wolters Kluwer Publishing House; page 122).

Consumism - consumatorism – consumerism

"Consumerism ['consumism' in Romanian], the full expression of "to have," satisfies and pleases on the one hand because it offers permanently, but on the other hand it enhances the thirst and concern because such satisfaction is only the springboard of an insatiable greed."(Pr. Prof. Dr. George Remete, - Excerpt from article "Spirituality and consumerism" www.crestinortodox.ro/morala/spiritualitate-consumism).

As a way of life induced through marketing strategies after the '50s, which in the last half of century determined a radical change both of the individual and of the idea of quality, the definition of consumerism can be concentrated to: "quickly, a lot and cheap," to the major detriment of the health of individuals and environment; in fact, it induces to the collective and individual mind the state of permanent need, which is completely unjustified biologically and rationally.

According to consumerist view, most people nourish a strong desire for consumer goods and aspire to a life centred on this desire, believing that such a life would satisfy their emotional needs to a greater extent than the mere satisfaction of material needs.

“The consumerist mentality and world contradict the Christian Law, the law of the spirit and the law of the being, because it objectifies the person. No matter how strong it glorifies the happiness of the person, according to the consumerist law the man becomes not a happy person but a happy object.”(*Pr. Prof. Dr. George Remete, - Excerpt from article "Spirituality and consumerism" www.crestinortodox.ro/morala/spiritualitate-consumism*).

Strictly philologically speaking, the English word consumerism has two very different meanings: a positive one – “the protection and promotion of the interests of consumers,” and a negative one – “(excessive) preoccupation with the acquisition of consumer goods” (cf. Oxford English Dictionary, 1999).

In Italian, *consumerismo* means “protection of the consumer,” while *consumismo* means “(excessive) preoccupation with the acquisition of consumer goods.”

In the large cities technology already governs the way in which people work and spend their free time. Youngsters in particular begin to interiorise technology, they gradually change it into a state of mind and a behavioural norm. Both communism and today’s techno-globalism aspired to change technology into the very matrix of the consumer’s life.

In post-communism, the obsession of industrialisation was replaced by the “consumerist fever.” Paradoxically, pauperisation of the population stimulated the feverish search of material satisfactions; the craving for quick enrichment, by any means, reached pathological dimensions. Instead of invigorating internal production, consumerism consolidated anti-social practices, corruption and embezzlement. Poor and rich people, young and old people began to be concerned only with the material side of life. The money became the universal benchmark, the highest criterion of value, the alpha and omega of a society whose idealism is reduced to “how to become a millionaire in euros”.

The current society requires us to define ourselves only by our consumption. We should care for nothing else but our comfort. In advanced post-industrial societies the impetuous development of technology allowed the production of consumer goods in surplus amounts and at accessible prices. What was considered as a luxury object yesterday becomes a “necessity good” today, which can be acquired by all consumers. The reign of consumption radically changed the socio-cultural paradigm. Human energies (pulsations, desires) and values which were previously deemed destructive – unconstrained behaviour, hedonism, sexual freedom, ludic experiment – were assimilated, rationalised and finally changed into economic stimuli.

Consumerism “monetises” and contaminates areas which were previously out of the commercial laws – religion, culture, education, family, sexuality. People are more and more defining their identity by their new, consumerist life style which is based on the materialism of post-modernist society.

The assimilation of this new life style has major consequences. In traditional societies, the individual’s personality was determined by well-defined social and economic factors, such as national identity, social class, tradition, education in the family and in school. This “cultural capital” determined the role of an individual in the society. The “life style” is, however, a subjective and changing construction, which is closely linked to individual tastes and preferences.

To consume proves to have become a praxis, a personal experience. Tell me what you eat, what you wear, where you spend your holidays and I’ll tell you who you are. Being dependant on the hypnotic world of consumption, the life style is governed by the “money – technology – comfort” triad. The amount of money you make and your technical abilities are the criteria defining “who” and “what” you are. If you want to have an identity, you must become a submissive “human resource” unconditionally yielding to commercial and technical laws.

According to the consumerist view, most people – in Eastern Europe and “third world” included – cherish a strong desire for consumer goods and their lives are centred on such desire, believing that the accumulation of goods will better satisfy their emotional needs than the mere satisfaction of material needs.

Therefore, the consumer-related practices and aspirations become dominant in the development of their identity.

The adoption of the consumerist culture as a *modus vivendi* spread around the globe, even among the poor or the unemployed, women being the most vulnerable.

Obviously, as societies became more complex, more sophisticated consumption patterns developed, but such a progressive evolution (when goods first considered as luxury goods became necessity goods subsequently) should not serve as a justification of the increase in the volume of consumer goods.

In other words, the ideology of consumption – in the sense of the certitudes regarding the need of consumption in the current life, culture and society – must surpass the restricted historical framework and to adapt to the new socioeconomic and natural developments.

“Let us always be the material but especially spiritual winners of each crisis in our lives! Such a mentality and practical conduct will guide us on another path – the path of knowledge and of wise and tolerant action – at the beginning of a century and a millennium, of which the first ten years have already passed...” (Dobrescu E.M., (coord.), 2010, *Book of Crises – An Optimistic Look*, Bucharest, Wolters Kluwer Publishing House).

Collaborative consumption, an alternative to the social economy

The “collaborative consumption” concept appeared in 2007, when Ray Algar, in a report on the new consumption trends, defined it as the new philosophy of consumption whereby all people can reach an equilibrium between their own interests and the wellbeing of the community they are part of (<http://issuu.com/rayalgar/docs/collaborative-consumption2007rayalgar/2?e=1820632/8449588>).

The advocates of this idea believe we are facing a genuine social revolution, where the pattern of owning things is replaced by the pattern of sharing them.

One of the first areas where the collaborative consumption was applied was the car industry. The first “car sharing” programmes brought significant savings to their users, but such a service also provided environmental benefits as it reduced the inefficient use of resources.

“Car sharing” programmes have developed since 2011 in numerous European cities, such as Munich, Paris, London, Barcelona or Amsterdam, which involved the collective use of cars as part of what many considers as the beginning of a new era in Europe’s history: the era of a rational and efficient use of resources.

Let us take the example of Amsterdam, the capital city of the Netherlands, where an innovative car sharing programme was launched (Car2go). The programme is designed to be easy to use and not to pollute the town as it offers only electric-powered vehicles. In fact, any person who registers in this programme can locate the nearest electric vehicle by means of the [Car2go](#) website or a smartphone application, then he uses his member card to unlock the car and is ready to use it as long as he needs it; parking is free all over the city and, to end the rental, the car is left in a parking lot, not having to bring it to the garage or to charge it.

Many European governments encourage the development of such programmes by promoting their advantages and by funding the projects that support this concept.

In Romania this concept is still at the beginning, but one can see that websites such as www.ecodrum.ro, which offers such services for free, have begun to be more and more utilised.

But obviously the car industry is not the only area where the collective consumption philosophy attracts ever more adherents.

Over the last years the cost of designing the platforms that allow for sharing consumption has reduced due to the development of the internet. Rachel Botsman, co-author of “What’s Mine Is Yours: The Rise of Collaborative Consumption,” explains: “The social evolution of the internet saw several stages: first, it allowed programmers to write a code in common, the result being the Linux operating system. Then, people were able to share their experiences by means of Facebook, while content designers used YouTube to share their achievements. Now we are on the verge of the fourth stage, when people realise they can use the same technology to share all kinds of off-line, everyday products. This could have an as great an impact as the Industrial Revolution by the way

in which it changes ur perspective over ownership " (*Rachel Botsman, Roo Rogers, "What's Mine Is Yours: The Rise of Collaborative Consumption," Hardcover – September 14, 2010*).

An ever larger number of sharing consumption sites has been developed lately. Among them there is LandShare, which is an online network that connects people who want to grow with those who have land to share, or AirBnB, which is a homestay network in which people host travellers in their spare rooms at reasonable prices.

An creative application of the collaborative consumption concept is Tovgaroo, an online toy rental service that connects people who want to exchange or rent out used toys. Subscribers get four to eight toys a month. This system allows them to offer their children access to more toys than they could purchase.

Another web application, Artsicle, allows the art lovers to rent paintings or sculptures for a monthly fee. Thus, the members of this programme can find the right artwork for them without having to buy such pieces, although they have this possibility as well.

In Romania, the best known "collaborative consumption" service is I'Velo, the first automated bike-sharing service that operates in Bucharest, Braşov, Cluj-Napoca, Constanţa and Iaşi.

We should not overlook Olx.ro (former Mercador.ro), one of the largest online free ads company in Romania, which facilitates selling and buying goods and services in local communities and in the vicinity, at advantageous prices. The ads are free of charge and the users are not obliged to create an account to publish them.

More and more such services appear every day due to the investments made and the popularity among the audience. Another reason is the austerity regime ever more countries are forced to adopt. As smartphones and internet gain ground, the collaborative consumption model finds more supporters, thus changing the society we live in.

Although the new concept of "collaborative consumption" disagrees with the basic principles of the traditional economic model (the use of a product entails its ownership, and transactions are usually between a person and an organisation) (Arun Sundararajan, Ph.D. in Economics and Professor at the New York University - www.techonomy.com.), the collaborative consumption will allow people to get what they want without owning it.

The more expensive the goods are when purchased and then they are scarcely used, the more profitable the new type of consumption is for the customers who consider that it is more important to use a product than to own it.

Conclusions

As (any kind of) research would not exist in the absence of reality, it is quite revealing an excerpt from reality, conveyed in the "Top 10 Consumer Trends Of 2015 And Beyond" Report prepared by Swedish company Ericsson, which I got acquainted with during my documentation, from which I take the liberty to mention:

The streamed future: Media use patterns are globalizing. Viewers are shifting towards easy-to-use on-demand services that allow cross-platform access to video content. 2015 will be historic as more people will watch streamed video on a weekly basis than broadcast TV.

Helpful homes: Consumers show high interest in having home sensors that alert them to water and electricity issues, or when family members come and go.

Mind sharing: New ways to communicate will continue to appear, offering us even more ways to keep in touch with each other. Many smartphone owners would like to use a wearable device to communicate with others directly through thought – and believe this will be mainstream by 2020.

Smart citizens: The idea of smart cities is intriguing – but a lot of that intelligence may actually come about as a side effect of the changing everyday behaviours of citizens. As the internet makes us more informed, we are in turn making better decisions. Consumers believe traffic volume maps, energy use comparison applications and real-time water quality checkers will be mainstream by 2020.

The sharing economy: As the internet enables us to efficiently share information with unprecedented ease, the idea of a sharing economy is potentially huge. Half of all smartphone

owners are open to the idea of renting out their spare rooms, personal household appliances and leisure equipment as it is convenient and can save money.

The digital purse: 48 % of smartphone owners would rather use their phone to pay for goods and services, while 80 % believe that the smartphone will replace their entire purse by 2020.

My information: Although sharing information when there is a benefit is fine, smartphone owners see no point in making all of their actions open to anyone. 47 % of smartphone owners would like to be able to pay electronically without an automatic transfer of personal information. 56 % of smartphone owners would like all internet communication to be encrypted.

Longer life: Smartphone owners see cloud-based services of various kinds giving them the potential to live healthier and longer lives. Jogging applications, pulse meters and plates that measure our food are believed to help prolong our lives by up to two years per application.

Domestic robots: Consumers are welcoming the idea of having domestic robots that could help with everyday chores. 64 % also believe this will be common in households by 2020.

Children connect everything: Children will continue to drive the demand for a more tangible internet, where the physical world is as connected as the screens of their devices. 46 % of smartphone owners say that children will expect all objects to be connected.

The “Top 10 Consumer Trends Of 2015 And Beyond” Report was prepared on the basis of the information from the Ericsson ConsumerLab global research programme, a special focus being placed on smartphone owners aged 15 to 69 in Johannesburg, London, Mexico City, New York, Moscow, San Francisco, Sao Paulo, Shanghai, Sydney and Tokyo – statistically representing the views of 85 million frequent internet users.

“The cumulative effect of smartphones becoming part of mainstream society is astonishing. As consumers, we try out new applications and keep the ones we think improve, enrich or even prolong our lives at such a rapid pace that we don't even notice that our attitudes and behaviours are changing faster than ever. Services and products that quite recently seemed beyond imagination are now easily accepted and believed to rapidly reach the mass market. With only five years until 2020, the future really does seem closer than ever before.”(*Michael Björn, Head of Research Ericsson ConsumerLab* (<http://www.computerworld.ro>)).

No matter if we approach consumption from the social economy or the collaborative consumption perspective, the free will constrains us to responsibility. Even to social responsibility or, even more, to corporate social responsibility, which (according to Wikipedia definition) means “to wilfully include public interest in the corporate decision-making and to comply with three fundamental principles: people, planet and profit.”(<http://en.wikipedia.org>)).

This is why it is very important to “Let us always be the material but especially spiritual winners of each crisis in our lives! Such a mentality and practical conduct will guide us on another path – the path of knowledge and of wise and tolerant action – at the beginning of a century and a millennium, of which the first ten years have already passed...”(*Dobrescu E.M., (coord.), 2010, Book of Crises – An Optimistic Look, Bucharest, Wolters Kluwer Publishing House*).

Bibliography

- Abraham-Frois, G.,1994, *Political Economics*, Humanitas Publishing House, Bucharest;
- Akerlof George A., Shiller Robert J., 2009, *Animal Spirits*, Public Publishing House, Bucharest;
- Akerlof G.A., 2009, *An Economic Theorist's Book of Tales*, Public Publishing House, Bucharest;
- Albu Lucian Liviu, 1998, *Transition of Economics or Transition of Economic Science?*, Expert Publishing House, IRLI, Bucharest;
- Ariely D., 2010, *Predictably Irrational. The Hidden Forces That Shape Our Decisions*, Public Publishing House, Bucharest;
- Balaure V. (coord.), 2000, – *Marketing*, Uranus Publishing House, Bucharest;
- Boier R.,1994,- *Consumer's Behaviour*, Graphics Publishing House, Iasi;

- Catoiu I., Teodorescu N.- "*Consumer's Behaviour, Theory and Practice*" - Economic Publishing House, Bucharest 1997;
- Crețoiu Gh., Cornescu V., Bucur I., 2011, *Economics*, C.H. Beck Publishing House, Bucharest;
- Dobrescu E., 2002, *Transition in Romania. Econometric Approaches*, Economic Publishing House;
- Dobrescu E.M., 2010, *Economic Integration*, 3rd edition, revised and completed, Bucharest, Wolters Kluwer Publishing House;
- Dobrescu E.M., (coord.), 2010, *Book of Crises – An Optimistic Look*, Bucharest, Wolters Kluwer Publishing House;
- Dubois P.L., Jolibert A., *Marketing, Theory and Practice*, vol. I, Economic Publishing House, 1989, Paris, translated into Romanian and published under the aegis of the University of Agricultural Sciences in Cluj-Napoca 1992;
- Friedman Milton, Friedman Rose, 2009, *Free To Choose*, Public Publishing House, Bucharest;
- Frois A., Gilbert, 1994, *Political Economics*, Humanitas Publishing House, Bucharest;
- Galbraith J. K., 1982, *Economics and the Public Purpose*, Political Publishing House, Bucharest;
- Georgescu-Roegen N., 2000, *Complete Works. Analytic Economics. Articles, studies, summaries*, Volume IV, Book II, Bucharest, Expert Publishing House;
- Goleman, D., 2009, *Emotional Intelligence*, Curtea Veche Publishing House, Bucharest;
- Heyne P., Boettke P., Prychitko D., 2011, *The Economic Way of Thinking*, Bizzkit Publishing House, Bucharest;
- M. Golu, Dicu A., 1972, *Introduction to Psychology*, Scientific Publishing House, Bucharest;
- Keynes J. M., 2009, *The General Theory of Employment, Interest and Money*, Public Publishing House, Bucharest;
- Krugman P., 2009, *The Return of Depression Economics and the Crisis of 2008*, Public Publishing House, Bucharest;
- Krugman P., 2010, *The Conscience of A Liberal*, Public Publishing House, Bucharest;
- Kotler Ph., 1997, *Marketing Management* - Teora Publishing House, Bucharest;
- Pavelescu F.M., 2000, Efficient Use of Human Capital at Region Level, *Economic Issues*, nr. 1; Economic Information and Documentation Centre, Bucharest;
- Pohoață I., 1993, *Universal Economic Doctrines*, "Petre Andrei" Academic Foundation, Iași;
- Pohoață I., 2011, *Epistemology and Methodology in Economic Science*, Economic Publishing House, Bucharest;
- Sedlacek, T., 2012, *Economics of Good and Evil*, Public Publishing House, Bucharest;
- Shumpeter J., 2010, *Ten Great Economists*, Public Publishing House, Bucharest;
- Simon, H., 1978, *Rationality as a process and a product of thought*, American Economic Review;
- Simon, H., 1997, *An empirically based microeconomics*, Cambridge, Cambridge University Press;
- Stiglitz J.E., Walsh C.E., 2005, *Economics*, Economic Publishing House, Bucharest;
- Taşnadi Al., 2000, *Mirage of Neo-Classicism*, Bucharest, Economic Publishing House;
- Tversky, A., Kahneman, D., 1974, *Judgement under Uncertainty: Heuristics and Biases*, Science, New Series, Vol. 185, No. 4157, pp. 1124-1131;
- Tversky, A., Kahneman, D., 1992, *Advances in Prospect Theory: Cumulative Representation of Uncertainty*, Journal of Risk and Uncertainty, Vol. 5, pp. 297-323;
- Veblen Th., 2009, *Theory of the Luxury Class*, Public Publishing House, Bucharest;
- Voinea L., 2009, *The End of the Economics of Illusion*, Public Publishing House, Bucharest;

- Zaharia E. - "The Configuration of the Lifestyle Basic Coordinates" in vol. "Quality of Life – Social Theory and practice " – Romanian Academy, Bucharest 1991),
- Zaman Gh., Geamănu M., 2006, *Economic Efficiency*, "România de mâine" Foundation Publishing House, Bucharest;
- Zamfir C. - "*Life Styles*" – Academy Publishing House, Bucharest 1986
- * * *, Atlas of Social Economics Romania 2014 – Social Economics Institute – Civil Society Foundation Publishing House, Bucharest, June, 2014
- * * *, Dictionary of economic history and history of economic thinking, ALL Publishing House, Bucharest, 2005;
- * * *, CIRIEC – Centre International de recherches et d'information sur l'économie publique, sociale et cooperative (2012): Luis Monzon Campos & Rafael Chaves Avila „The social economy in the European Union,” p. 21. - European Standing Conference of Cooperatives, Mutual Societies, Associations and Foundations (CEP - CMAF) - Charter of Principles of the Social Economy;
- * * *, <http://www.computerworld.ro>
- * * *, <http://en.wikipedia.org>
- * * *, www.techonomy.com