

UBERIZATION OF THE CITY

Interview of Roland Ries,
Mayor of Strasbourg

By Nicolas Miaillhe



Roland Ries is a specialist in questions of transportation and urban mobility. He was the driving force behind the reintroduction of the tramway in Strasbourg tramway in the early 1990s.

Elected Mayor of Strasbourg first in 2008 and re-elected for a second consecutive in 2014, Roland Ries' agenda focuses on boosting and diversifying transportation solutions, and finding alternative to individual cars. On the longer term, his vision is of a more compact, socially diversified city with enhanced connections with the German town of Kehl.

Roland Ries is also 1st Vice-chair of the Strasbourg Eurometropolis with responsibility for transportation and mobility and also for GART, the umbrella authority for the metropolis's different transportation authorities.

He was a French senator from 2004 to 2014 and is considered one of Europe's best specialists in urban mobility. He is also chair of Cités-Unies France, a federation of French local and regional governments involved in international relations.

KEYWORDS

- UBERIZATION
- SHARING ECONOMY
- DIGITAL REVOLUTION
- SHARING

Mayors need to find strategies to manage
the uberization of their cities.

INTRODUCTION

In this interview, Roland Ries, Mayor of Strasbourg shares his perspective about the challenges and opportunities triggered by the rise of large digital platforms and marketplaces which are powered by matching algorithms. He advocates for a measured approach whereby municipal decision-makers need to embrace change wisely to maximize the upsides and minimize the downsides of the rise of these new actors and services.

Nicolas Mialhe: Do you feel that uberization is a poison pill for major municipalities?

Roland Ries: I am, of course, fully aware of the threat that uberization and the gig economy pose to the job market and the deregulatory risks to whole sections of the market economy. But these fears, real as they may be, must not lead us to condemn these changes out of hand by viewing them simply as destroying jobs. These shifting patterns of consumption, which seem so threatening, reflect inescapable changes sweeping our societies. Let's be quite clear: trying to stop this process is a lost cause. The trick is to accept change calmly, which makes it easier to stay in control of what's going on and, most importantly, to make the most of these changes because they reflect what people want. One thing I'm sure of is that the service specialization mindset is no longer the way forward.

N.M.: What do you mean by that?

R.R.: Take mobility in the city as an example. We always, too often at any rate, assume that traditional transportation offerings such as buses, trams and metro systems can be rolled out everywhere. This assumption involves building complex, costly and space-hungry infrastructure that takes a long time to deliver, whereas we could imagine far more flexible networks able to meet a far more diversified range of demands. We need to understand that, with a little imagination, we can unlock a vast reservoir of untapped services. A private car is used for only 8% of its lifespan, precisely because it's private. More shared use would be far better in terms of meeting the planet's sustainability goals. But this would of course involve achieving a balance with manufacturers to avoid provoking an unwelcome industrial collapse.

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N.M.: Are the collaborative economy's virtues sufficient to justify the absence of political will to regulate the activities of platforms?

R.R.: The difficulty lies in a confusion between, on the one hand, a new economy where goods and services are exchanged and shared—something that has a truly positive impact on traffic congestion and air pollution, two of the banes of almost every city—and a platform economy that offers professional services based on the principles of economic liberalism and unfettered competition. The reality is that we have to find a path between two extremes: overbearing regulation that prevents any loosening of the current system, and a deregulated free-for-all that produces a jungle for workers where only the fittest survive. But I'm convinced we can identify solutions that avoid price distortions which open the door to unfair competition. I continue to believe in the importance of the regulatory role played by authorities.

N.M.: French legislators seem very reluctant to intervene, as if they would prefer not to get involved.

R.R.: The Mayor of London withdrew the operating license from Uber, even though it operates in over 300 major cities worldwide. No government authority in France has these powers. Here, it's only prefects who can take measures like that. And they can't act arbitrarily, they have to do what the law tells them, which at the moment is no more than to keep the peace between taxi drivers and private hire drivers. The European Commission does have the power to harmonize measures at the EU level, but it remains deliberately reserved. We could, quite justifiably, hope for a more ambitious and proactive attitude. In the meantime, government authorities can play a real role fostering a full-fledged social and solidarity economy.

N.M.: What incentives could be put in place to encourage virtuous loops between the platforms and actors in this sharing economy?

R.R.: In a number of publications, including *In the Swarm* (MIT Press, 2017), the German philosopher Byung-Chul Han offers a highly convincing argument: behind the possibilities of unmediated digital interconnections lie new forms of alienation, meaning that “exploitation is possible without domination.” In this scenario, uberization will only increase instability in the world as well as individual loneliness. I'm not so sure that this is inevitable. We have the power to act, especially at the city and regional levels. Our duty as elected local officials is to reflect on new patterns and work with our constituents to invent a genuinely green and collaborative social economy, one that will forge social ties and stimulate our collective intelligence, placing the concepts of social justice and humanity front and center. A key stage in this process lies in grasping the importance of this problem and the enormity of the issues involved. It's not about simply looking at the symptoms. And again it's up to



Tram pont Kehl - ©Jérôme Dorkel / Strasbourg Eurométropole

us, mayors and local councilors, to put in place the conditions for this new civic awareness to take hold. What's at stake is no more nor less than the democratic structure of our lives in society as a whole and our ability to exercise our free will.

You have to start by stating a fact: actors from the social and solidarity economy want to keep their distance from platforms such as Uber or Deliveroo, which they feel to be structurally incapable of virtue. Let's be clear: what we're talking about here are conflicting philosophies that embody opposing and mutually antagonistic social models. This isn't something that wishful thinking is going to change. Partnerships with conventional businesses, on the other hand, exist already and generally work well. For our part, as a certified fair trade territory we try very hard to make sure that our public procurement policies are beyond reproach in order to encourage actors from the social and solidarity economy to compete for contracts. We systematically encourage collaborative cross-fertilization, in particular through our support for Fab Labs and Maker Fairs. And we also work to educate the public so that residents can identify the different types of economies.

N.M.: In the short term, how can we manage the destabilizing effect Airbnb is having on French cities?

R.R.: You have to be vigilant without clamping down too hard. I was impressed by a statistic about Airbnb's exponential success that I heard during the Paris climate conference. During the three years from 2012 to 2015, it was offering two or three times more space

in existing buildings than the hotel industry had built in the previous three or four decades. This observation alone highlights an environmental aspect that is often underestimated: the sharing era now offers a real alternative to the kneejerk drive to keep on expanding. The downside is the accelerating professionalization of Airbnb, which is driving up rents and property values, particularly in city centers, some of which end up losing their permanent residents because they're priced out of the city. The problem we have is a lack of aggregated data that would let municipalities adopt targeted policies to make sure that we have the attractive accommodation that our visitors deserve while also protecting the peace and harmony of our city centers. To be effective, I think a necessary first step would be setting up an observatory.

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