# CHAPTER 2. FROM THE PRAIRIE TO THE BATTLEFIELD

If there is a decision to be made,

and an enemy to be singled out,

it's the techno-libertarian religion of the "free".*[[1]](#footnote-1)*

Despite a general agreement among scholars about the historical experiences that marked the birth and development of the digital communitarian paradigm, in the last sections of the previous chapter, I suggested broadening the scope of experiences that contributed to digital communitarianism. As a matter of fact, in late 2000s the understanding of digital community has spread to so many domains that one might wonder whether it retains some semantic value, whether it is still possible to distinguish a particular essence behind the label ‘online community’.

In chapter 3 we shall engage with a few authors who tried to answer this question. Before that, however, in order to understand some aspects of this dilution, we need first to recognize how the internet anarchic prairie has turned into a battlefield, a conflictual field not very different from the brick-and-mortar world. My argument is that over the recent years libertarian cyberculture that nurtured the virtual communitarian utopia came to a crossroads. Since early 2000s, many of the beliefs that the digital communitarians inherited from cyberculture have either revealed their inconsistency or had to face empirical counter-evidence. This chapter confutes, in particular, three myths: the coalition between creative and economic actors, the uncontrollability of the internet, and its freedom from commercial dynamics.

## 2.1 The Dotcom Burst and the Crisis of the Creatives-Internet Entrepreneurs Coalition

The first communitarian myth that had to face the new climax of early 2000s was the one associated with the emergence of an autonomous creative class. It was believed that their lifestyle and economic weight could influence global markets towards informal and more equal organization of labour and production. Politically too, they would perhaps push towards post-democratic forms of direct participation.

Let’s follow the genesis of this myth. As we have seen in the previous chapter, in mid 1990s’ net culture, leftists’ positions tended to coexist and share resources with neo-liberalist agendas. This coexistence is reflected by the literature on ‘immaterial work’.[[2]](#footnote-2) Over the years, actors who led the digital revolution have been called alternatively ‘creative class’, ‘hacker class’, ‘creative workers’, ‘cognitarians’.[[3]](#footnote-3) While these labels share some common traits as to the new relevance of knowledge-related assets, they quite differ as far as their rationales are concerned.

According to Richard Florida, the creative class is an emerging subject whose power lies in its capacity to produce knowledge.[[4]](#footnote-4) His argument is based on two assumptions: that techno-economic innovation is more and more fed by artistic creativity, and that knowledge-based capitalism is pushed to extend its scope in order to grasp the creative potential of those social actors who were at the margins of the old system of production. According to this argument, the new class does not own nor control material means of production, but rather bases its economic power on the immaterial capital of the mind. Furthermore, in Florida’s argument internet companies’ executives are themselves part of the creative class. As a consequence, the conflict between capital and labour is reduced to the tensions between creativity and organization, informality and old hierarchies.

Differently, Wark’s hacker class includes creative workers that have been expropriated of their own immaterial means of production.[[5]](#footnote-5) According to this perspective, internet companies, the cultural industry, and telcos executives belong to a distinct ‘vector class’ which founds its economic power on a system that struggles to extend intellectual property rights to all forms of immaterial production. By extending the intellectual property regime with help from the juridical apparatus, the vector class reduces immaterial commons into goods, thus producing that principle of scarcity which is necessary to the proliferation of the capitalistic market. By conceiving of the hacker class as a by-product of this process, Wark’s argument proposed an (at that time) original elaboration of the Marxist opposition between capital and labour.

Florida’s and Wark’s divergent perspectives as to the ownership of immaterial means of production and intellectual property reflect the coexistence of different souls in the internet cultures of mid and late 1990s.[[6]](#footnote-6) This coexistence was made feasible first of all by a cultural compatibility. In mid 1990s, the internet perfectly fitted the libertarian anti-state and market-oriented agenda which was popular at that time. Embodied by Newt Gingrich’s ‘Contract with America’, that agenda was meant to give massive power to financial institutions.[[7]](#footnote-7) Furthermore, sections 1.1. and 1.2 above have suggested ever more profound cultural similarities. As we have seen, libertarianism had fostered forms of organization of labour that were perfectly suited to neoliberalism. Creative workers and internet entrepreneurs shared a decentralized organizational paradigm and self-entrepreneurship ethics that they both had inherited from cybernetics and excellence-oriented peer communities. They also shared Wiener’s suspicion towards big powers as opposed to grassroots organizations: as Castells has recalled, in the New Economy system of values, money became a symbol of independence from that traditional corporate world from which both digital wizards and entrepreneurs felt the greatest distance.[[8]](#footnote-8)

Economic interests sustained the coexistence between creatives and internet capitals, as well. The non-profit internet communitarian culture has rarely developed economic models for its sustainability. Or better, its economic models have been mainly based on the concept of ‘heterarchy’. Introduced by David Stark in order to explain the behaviour of firms in post-Soviet Eastern Europe, the concept of ‘heterarchy’ is recovered by Turner and associated with the methods of evaluating value on the WELL:

within a heterarchy one encounters multiple, and at times competing, value systems, principles of organization, and mechanisms for performance appraisal. “Heterarchies create wealth by inviting more than one way of evaluating worth”. […] On the WELL, users’ abilities to characterize their postings as having value in both the social and the economic registers depended on both the computer technology of the WELL and the cultural legacy of the New Communalist movement.[[9]](#footnote-9) [[10]](#footnote-10)

In substance, while voluntarily contributing to the creation of common knowledge, WELLites invested in their reputation capital that ultimately led to a number of working opportunities.

Turner limits the application of the heterarchy concept to the WELL. However, it is not difficult to recognise a similar mechanism at work among developers and creatives participating in 1990s’ digital communities. It is well-known that reputation capital and knowledge that had been acquired through communitarian activities started being made productive elsewhere in the new euphoric high-tech industry by digital creatives.

To indicate an emergent social class whose roots lay at the convergence of cultural values and economic interests between internet entrepreneurs, on one side, and the social actors that led the digital revolution, on the other, Formenti introduced the concept of ‘Fifth State’.[[11]](#footnote-11) In his work following the Dotcom burst and 9/11, Formenti put forward a hypothesis overtly in counter-tendency with those developments. He suggested that – although knowledge workers were undergoing a severe loss of contractual power because of the burst – there still existed some chances to reconstitute the coalition between creatives and entrepreneurial power. If that hypothesis had turned out right – Formenti argued – there would have been a good chance for western democracies to evolve towards post-democratic political systems in which forms of representational democracy could mingle with forms of direct participation.

Nevertheless, by 2008 Formenti had to admit that his hypothesis would have never come true.[[12]](#footnote-12) With the collapse of 500 dotcoms, half million jobs lost in the high-tech industry, and three trillions dollars ending up in smoke at NASDAQ, the Dotcom burst not only had venture capitals take to their heels, but had also marked the end of dreams for bottom-up alliances. The Dotcom burst ratified the failure of the coalition between the rebels of the net and emerging internet entrepreneurs. If later on the net economy did recover from the burst, the coalition between knowledge workers and internet companies had sunk.

While the ideological alliance between techno-anarchism and neoliberism broke into fragments in 2000, another alliance, based on completely different presuppositions, was appearing on the horizon and became solid with 9/11: the alliance between governments and those internet companies that had survived the burst and had become giant corporations.

## 2.2 The Territorialization of the Net

We saw in section 1.1 that one of the pillars that the digital communitarian culture inherited from cybernetics is the possibility to keep the virtual and the brick-and-mortar domains separated. The idea of a virtual network unassailable by old ‘hard’ powers emerged together with efforts to build a network architecture that could survive nuclear attacks.[[13]](#footnote-13) It is a leading principle not only of J.P. Barlow’s Declaration of Independence, of Electronic Frontier Foundation’s campaign against the Communications Decency Act and of Rheingold’s reports from the WELL, it also characterizes Indymedia’s efforts to create self-organized digital infrastructures. That is, the separation of virtual and real domains is a foundational principle not only of digital communities directly informed by the U.S. libertarian paradigm, but also of those inspired by more heterogeneous sources.

This separation is based on the notion of a completely de-territorialized internet, an intrinsically borderless network that can escape efforts to reduce it to nation-state boundaries, sovereignty and laws. However, pressures for political control and surveillance introduced after 9/11 and the so called ‘War on Terror’ have put this assumption under considerable strain.[[14]](#footnote-14)

Already in 1999 Lawrence Lessig warned against the architectures of regulation exercised by technologies of ‘smooth’ commerce, backed by the rule of law.[[15]](#footnote-15) More recently, Stanford’s researchers Goldsmith and Wu have depicted a more and more controlled and territorialized internet. They argue that since mid-1990s the internet has been transformed ‘from a technology that resists territorial law to one that facilitates its enforcement’.[[16]](#footnote-16) Instead of imposing its cosmopolitan culture on local milieus, the global net seems to be adapting to local conditions and norms. According to the authors, the ‘Balkanization of the Net’ is made possible by close teamwork between governments and global internet companies, which formally foster the cult of networking freedom. Three factors are pushing this course.

First, users themselves ask for culture-targeted internet browsing: ‘geographical borders first emerged on the internet not as a result of fiats by national governments, but rather organically, from below, because internet users around the globe demanded different internet experiences that corresponded to geography’.[[17]](#footnote-17) The primary demand concerns language. While in late 1990s 80% of internet contents were in English,[[18]](#footnote-18) by 2002 English web pages were only 50% of the total amount.[[19]](#footnote-19) On 30th June 2008, the percentage of non-English native internet users worldwide was 70,6%.[[20]](#footnote-20) While the amount of English-speaking internet users grew 203.5% from 2000 to 2008, in the same period the amount of Chinese-speaking internet users grew 755.1%, Spanish-speaking internet users grew 405.3%, Portuguese-speaking internet users grew 668% and Arabic-speaking internet users grew 2.063,7%. With these demand rates for non-English information, content providers are more and more pushed to offer services that meet local linguistic and cultural needs.

The second factor follows as a consequence. The need to meet local needs can now rely upon geo-identification technologies that automatically localize the user and provide targeted information or block ‘forbidden’ contents. While geo-ID technologies have at first been developed in order to filter information for commercial purposes, the alliance between internet companies and governments that followed the War on Terror has in fact shown new surveillance-oriented applications.

Goldsmith and Wu dedicate a whole chapter to the Chinese case. Here, the ‘Great Electronic Wall’ could not have been built without Cisco’s gateways and Google’s filtering systems. These same internet corporations that elsewhere are champions of the ‘free flows of information’ ideology, in China subscribed a binding self-discipline pact according to which they cannot ‘produce or disseminate harmful texts or news likely to jeopardize national security and social stability, violate laws and regulations, or spread false news, superstitions and obscenities’.[[21]](#footnote-21)

Chinese internet writers’ arrests demonstrate how virtual life can have dire consequences on physical life once geo-ID technologies allow to associate a physical address to an IP address. Furthermore, they reveal that there is no internet architecture which is ‘naturally’ uncontrollable:

[the Chinese Government] is trying to create an Internet that is free enough to support and maintain the fastest growing economy, and yet closed enough to tamp down political threats to its monopoly on power. […] Only time will tell whether the China strategy will work, or whether the sheer volume of information will erode the government’s influence and render the Internet in China open and free. But so far, China is showing the opposite: that the Internet enjoyed in the West is a choice – not fate, not destiny, and not natural law.[[22]](#footnote-22)

The third factor for the Balkanization of the Net concerns western control policies backed by ID technologies. Democratically elected governments worldwide have found ways to impose their laws on internet as a transnational territory as well. Even if a nation-state can exert coercive power only within its borders, Goldsmith and Wu note that global internet companies usually ‘hit the ground’ in local branches that can be subjected to government pressures. Dow Jones, Yahoo, eBay, Pay Pal, Google, and MasterCard are examples of large firms present in many nations that had to comply with national laws of countries where they do business.

As their book title suggests,[[23]](#footnote-23) once the internet is subjected to nation-state sovereignty, the core issue shifts from techno-pundits’ concerns about internet controllability to legitimizing the sources of law. As Italian former head of the Privacy Authority, Rodotà pointed out, lack of rules would hand the internet over to the same big powers against which it was originally born.[[24]](#footnote-24) According to Rodotà, freeing the internet from juridical control established by democratically elected parliaments means turning it into a space where the only rules in force are those made by the most powerful actors, according to their specific needs.[[25]](#footnote-25) As a consequence of a similar privatization of regulatory functions, law would lose its *super-partes* nature.[[26]](#footnote-26)

In summary, at the end of 2000s, techno-political developments have shrunk the gap between virtual and physical domains. As a matter of fact, cyberculture’s libertarian credo of an intrinsically ungovernable internet has turned out to be an illusion. In spite of declarations of independence, today geography matters more than ever.

## 2.3 Web 2.0, the Renaissance of Community on the Net and the Quest for Value Creation

The third libertarian belief that has faced scepticism over the last years postulates that information sharing empowers individuals and communities vis-a-vis governmental and commercial powers. As we saw in chapter 1, the ethics of sharing is a cornerstone of internet architecture. While this is true of internet protocols and standards, however, it is less ascertained for data produced by net surfers, the so called ‘user-generated contents’ (UGC). The assumption that online interactions produce diffuse wealth, stronger political participation, reduction of inequalities, empowerment of disadvantaged sectors of population needs to be demonstrated.

This assumption gained momentum soon after the Dotcom burst, when internet pundits and cyberculturalists denied the economic models they had followed over the previous years, and recalled the inherently open and sharing-oriented nature of the internet. In the words of Kevin Kelly,

so much money flew around dot-coms, that it hid the main event on the Web, which is the exchange of gifts. While the most popular 50 websites are crassly commercial, most of the 3 billion web pages in the world are not. Only thirty percent of the pages of the Web are built by companies and corporations like pets.com. The rest is built on love, such as care4pets.com or responsiblepetcare.org. The answer to the mystery of why people would make 3 billion web pages in 2,000 days is simple: sharing.[[27]](#footnote-27)

These words might constitute the first implicit reference to so called ‘Web 2.0’, that is, web platforms where information is supplied by users themselves.[[28]](#footnote-28)

Between 2004 and 2005, ‘online community’ had turned into a much inflated concept, and the opportunity was appropriate to replace it with terms like ‘social networks’, ‘mobs’, ‘swarms’.[[29]](#footnote-29) Simultaneously, the recovered ethics of sharing contributed to the success of UGC-driven web, a new business model expected to better fit the inherent openness of the medium. According to Tim O’Reilly – who introduced the successful expression – ‘Web 2.0’ constituted an effort to devise a business model that respected the sharing-oriented nature of internet, after the dotcom’s failure demonstrated the inadequacy of old pay-per-view business models. Indeed, Web 2.0 introduced new business models that rely on online sociability as a fundamental source of value:

Web 2.0 is the business revolution in the computer industry caused by the move to the internet as platform, and an attempt to understand the rules for success on that new platform. Chief among those rules is this: Build applications that harness network effects to get better the more people use them. (This is what I've elsewhere called "harnessing collective intelligence.") Eric Schmidt has an even briefer formulation of this rule: "Don't fight the internet." That's actually a wonderful way to think about it. Think deeply about the way the internet works, and build systems and applications that use it more richly, freed from the constraints of PC-era thinking, and you're well on your way. Ironically, Tim Berners-Lee's original Web 1.0 is one of the most "Web 2.0" systems out there -- it completely harnesses the power of user contribution, collective intelligence, and network effects. It was Web 1.5, the dotcom bubble, in which people tried to make the Web into something else, that fought the internet, and lost.[[30]](#footnote-30)

This long quotation is useful to recall a key aspect often forgotten by the UGC hype. Social network services were first and foremost a response to the need to produce value on internet in new ways. This historical evidence is usually underestimated in accounts dealing with Web 2.0 platforms. The December 2006 *Time* cover, for example, is a compendium of much Web 2.0 rhetoric on renewed democracy, solidarity, and grassroots cooperation. *Time*’s December 2006 cover story nominated the crowds contributing UGC as ‘Person of the Year’:

we're looking at an explosion of productivity and innovation, and it's just getting started, as millions of minds that would otherwise have drowned in obscurity get backhauled into the global intellectual economy. Who are these people? Seriously, who actually sits down after a long day at work and says, I'm not going to watch *Lost* tonight. I'm going to turn on my computer and make a movie starring my pet iguana? […] The answer is, you do. And for seizing the reins of the global media, for founding and framing the new digital democracy, for working for nothing and beating the pros at their own game, TIME's Person of the Year for 2006 is you. [[31]](#footnote-31)

One might wonder about the rationale according to which shooting an iguana-starring movie is related to founding the new digital democracy. Similarly the assumption, that including millions of minds into the global intellectual economy would cause an explosion of innovation and seize the reins of global media, is all but tested. As some authors have argued, the blogosphere can actually be very conservative, and prefer to promote rather than compete against mainstream media.[[32]](#footnote-32)

*Time*’s article recovers cyberculture’s duality between institutions and individuals, top-down power and bottom-up communities:[[33]](#footnote-33)

look at 2006 through a different lens and you'll see another story, one that isn't about conflict or great men. It's a story about community and collaboration on a scale never seen before. It's about the cosmic compendium of knowledge Wikipedia and the million-channel people's network YouTube and the online metropolis MySpace. It's about the many wresting power from the few and helping one another for nothing and how that will not only change the world, but also change the way the world changes.[[34]](#footnote-34)

Despite the high-sounding rhetoric, the article’s theory of action is explicit: Web 2.0 deals with small contributions that – when assembled together on a web platform – gain a higher influence than professional contents, and thus ‘wrest power from the few’ and give it back to the many.

It is noticeable that this theory of action does not mention *which* power to do *what*, nor what is supposed to keep the community together. It does not show *in which direction* the world is changing its way of changing, nor *who* will benefit from these changes. In other words, the article replaces technological determinism with sociological determinism, but refrains from questioning the cause-and-effect explanatory model underpinning the alleged correlation between collaboration and empowerment. Questions about *why* strangers collaborate and how collaboration is supposed to lead to empowerment remain unanswered.

Counter-evidence to this ideological theory of action comes from political studies and political economy. First and unexpectedly, Web 2.0 platforms (said to empower individuals by providing tools for self-expression and collaboration) are scarcely used by political movements (supposed to be the champions of free speech and grassroots organization). Indeed, empirical research has shown that political movements are very reluctant to adopt multi-interactive services on their websites.[[35]](#footnote-35)

For example, ‘Searching the Net: An Analysis of the Democratic Use of internet by 266 Social Movement Organizations’ analysed the main website features of 266 Global Justice Movement organizations in Italy, France, Germany, Great Britain, Spain, and Switzerland, as well as at the transnational level. Results revealed that internet is used to satisfy five functions: diffusion of alternative information, identity-building, debate and discussion, improving the transparency and accountability of the organization, online, and offline mobilization. Despite efforts to foster participation and empowerment constitute a large amount of movements’ online activities, the research showed that multi-interactive tools other than forums and mailing lists are rarely implemented. Only 10% of social movement’s websites use UGC technologies.[[36]](#footnote-36)

As the *Networked Politics* think tank has highlighted, social movements make limited use of Web 2.0 technology. For example, while Wikipedia started using wiki software in 2001, it was only in 2004 that the first wiki platform was used in social forums. Furthermore, Indymedia – which introduced open-publishing platforms in political action[[37]](#footnote-37) – is now losing popularity, and recent initiatives aimed to build interactive websites to organize social forums have had very limited diffusion.[[38]](#footnote-38) As a matter of fact, these pieces of evidences call into question the capability of Web 2.0 tools to foster bottom-up political participation and empowerment.

Second, as Formenti has pointed out, the notion of empowerment underpinning the Web 2.0 hype makes it difficult to distinguish between democratic engagement, cyber-ideology, ‘cyber-soviet’[[39]](#footnote-39), and ‘cyber-pop’. Formenti provocatively wonders whether empowerment coincides with the possibility to publish a post among million others, or whether it even coincides with an alleged wisdom of the crowds. While libertarian techno-enthusiasts claim their absolute confidence in the capacity of Web 2.0 platforms to select the best contributions out of millions, according to Formenti the definition of ‘best’ is never ‘natural’ nor objective, but is embodied in code. Google’s Page Rank, for instance, does not measure the quality and reliability of the information contained in the pages indexed, but rather reflect a sort of ‘popularity index’.[[40]](#footnote-40) [[41]](#footnote-41)

Furthermore, Formenti points out that empowerment does not relate to the use of ICT for entertainment purposes, like for most Web 2.0 applications, but rather to the possibility of exploiting internet’s potential for life-long learning, work, cognitive enrichment, and democratic participation.[[42]](#footnote-42) The author proposes the notion of ‘cultural divide’ to indicate the distinction between enthusiast consumers of information technology that show low overall cultural consumption rates (*technofans*), and those who combine technological interest with other forms of cultural consumption (*eclectics*). While the latter users retain the cultural skills that allow them to bend ICT to their needs, technofans are more likely to enthusiastically adopt ICT without developing the ability to harness its potential for personal enrichment. According to Formenti, this cultural divide can easily be transformed into a new class divide.[[43]](#footnote-43)

Third, the most elaborate counter-argument to Web 2.0’s claims to empower individuals and communities come from the labour economy. While the openness of the digital architecture – of code, protocols, practices, and standards – is a *condicio sine qua non* for the same existence of the internet, the question of how a digital commons-driven economy should distribute resources and wealth is still matter of dispute. As a matter of fact, not only do online relationships constitute a highly-targeted audience for profits based on adverts and data mining, they also act as content producers in a newly New Economy founded on the ‘cult of the amateur’. Still, only very rarely do forms of value distribution correspond to the voluntary supply of UGC.

Formenti numbers seven cases of Web 2.0 business models which have succeeded in ‘harnessing the collective intelligence’ of users by deploying participatory technologies: from readers’ book reviews to commercial intermediaries like e-Bay which create value by providing the technological infrastructure for trust; from free footage shot with prosumer technologies to UGC as ways to monitor cultural trends; from traditional advertising finding new stimuli in fans’ posts to talent-scout activities online, to the spontaneous activity of collaborative categorization performed by millions of individuals online. However, probably the most interesting example of a business model based on UGC comes from $ 15bn *Facebook.*[[44]](#footnote-44)[[45]](#footnote-45)This popular social networking site in November 2007 had *Coca-Cola, Blockbuster, Verizon, Sony Pictures, Condé Nast*, and seven other global brands make large advertising investments on its platform. Furthermore, it is fresh news that *Facebook* is launching a new generation of commercials called ‘engagement ads’.[[46]](#footnote-46) With engagement ads, users will be asked to respond to ads popping up when they log in, by evaluating a product. Their reply will then be shared with their *Facebook* friends.

As Guardian’s journalist Tom Hodgkinson has pointed out, the interest of companies towards 59 millions potential advocates of their brand is usually framed as ‘sharing’:

[the creators of the site] simply sit back and watch as millions of Facebook addicts voluntarily upload their ID details, photographs and lists of their favourite consumer objects. Once in receipt of this vast database of human beings, Facebook then simply has to sell the information back to advertisers, or, as Zuckerberg puts it in a recent blog post, ‘to try to help people share information with their friends about things they do on the Web’. […] ‘Share’ is Facebook speak for ‘advertise’. Sign up to Facebook and you become a free walking, talking advert for Blockbuster or Coke, extolling the virtues of these brands to your friends. We are seeing the commodification of human relationships, the extraction of capitalistic value from friendships.[[47]](#footnote-47) [[48]](#footnote-48)

Similar arguments focusing on the production of value from non-economic activities touch upon an unresolved issue of the new New Economy. Although UGC are sources of value in Web 2.0 business models, none of the most popular Web 2.0 platforms provides for the remuneration of amateur authors.[[49]](#footnote-49) According to Lovink, the ‘ideology of the free’ is systematically avoiding the crucial issue of a distributed economy in the so-called ‘knowledge society’.[[50]](#footnote-50) While ‘liberal communists’[[51]](#footnote-51) evade questions about their own business models, they mention users, developers, citizens that would need to be ‘liberated’, rather than enabled to earn a living from their creativity:

in order to open new social spaces for action, it is necessary to get rid of the religion of the free: ‘social media’ need to develop their own economy. Giving one’s own contents for free should be a voluntary, generous act and not the only option available. Instead of celebrating the amateur, we should develop a culture of the Internet that help young amateurs to become professionals. And this cannot happen if we preach to them that the only choice they have is to make ends meet through a McJob during daytime, so that they can celebrate their “freedom” during the long night hours spent online. A redistribution of money, resources and power is necessary.[[52]](#footnote-52)

If amateurs encounter difficulties in becoming professionals, the other way round is not easier. A further limit of the emerging sharing economy is the loss of influence by cultural industry professionals, as they are replaced by amateurs. While networked organizations outsource more and more risks and responsibilities to freelance contributors, they shrink R&D resources for professionals. The concern that the cult of the amateur constitutes a threat to creative workers is shared by ICT analyst Nicholas Carr, as well. Carr has questioned the effective quality of Wikipedia’s articles, while admitting that the search for quality tends to be overwhelmed by the search for free contents:

the Internet is changing the economics of creative work - or, to put it more broadly, the economics of culture - and it's doing it in a way that may well restrict rather than expand our choices. Wikipedia might be a pale shadow of the Britannica, but because it's created by amateurs rather than professionals, it's free. And free trumps quality all the time. So what happens to those poor saps who write encyclopedias for a living? They wither and die. The same thing happens when blogs and other free on-line content go up against old-fashioned newspapers and magazines. […] Implicit in the ecstatic visions of Web 2.0 is the hegemony of the amateur. I for one can't imagine anything more frightening.[[53]](#footnote-53)

Yet authors’ loss of contractual power is not only due to their replacement by amateurs. Organizational changes in the creative industry also have a role. In a different article about the theory of disintermediation, Carr argues that in the UGC production and distribution chain, the most profitable position is that of the intermediary. Contrary to cyberlibertarian claims celebrating the end-to-end pattern of communication enabled by the web, ‘internet continues to be a rich platform for intermediation strategies, and it's the intermediaries who stand to skim up most of the profits to be made from Web 2.0’.[[54]](#footnote-54)

Venture capitalist David Hornik has linked the renewed relevance of intermediaries to the Long Tail paradigm.[[55]](#footnote-55) He argues that there are essentially two types of technology (and actors, I would add) that benefit economically from the Long Tail: aggregators and filterers. While aggregators and filterers rely upon the increasing volume and diversity of content to boost their value, ‘that growth of content will not have a material impact upon the value of any one piece of content floating somewhere in the Tail’.[[56]](#footnote-56) That is, the value produced by filtering and aggregating activities will all go to the benefit of intermediaries, not of content producers.

If these anticipations are confirmed, they will not only shape the crisis of 21st century separation between labour and non-economic activities, but will also call into question the same foundations of the internet libertarian culture. Readers probably remember that in 2001 Lawrence Lessig numbered the features upon which the openness of the internet relies. Among these, Lessig saw the peer-to-peer architecture as the crucial element in the design of commons. Peer-to-peer architectures led Lessig to assert that the wisdom of the network lies on individual clients, and not on the network itself. Now that Web 2.0 platforms aggregating and filtering contents have centralized the wisdom of the network, one could wonder which new principles the openness of the internet is expected to rely upon.

In summary, many see the appropriation of the communitarian, techno-libertarian vernacular by internet corporate companies at the origin of the paradox of an informal gift economy turned into a hundred-million-dollars machine. While the ‘ideology of the free’ has pushed millions of people to upload their contents on Web 2.0 platforms, there is a endemic lack of business models that foster an impartial, distributed, and decentralized internet economy. The point is not so much to question Web 2.0 models that seek to make profits out of users’ contents. Late 1990s’ bubble has brought with it a much more disenchanted gaze than that shown by the prophets of digital harmony and gift economy. Rather, the point is about understanding what remains of the ‘digital community’ once communal ties based on solidarity and the gift economy are invoked as the cornerstone of commercial activities whose revenues are kept in the hands of few corporations. While the benefits for aggregating and filtering internet companies are quantified by analysts in terms of millions of dollars,[[57]](#footnote-57) the theory of action according to which participating in Web 2.0 open-publishing should foster community empowerment, produce diffuse wealth, and boost stronger participation to political processes is not as self-evident.

According to emergent scholarship on social network sites (SNSs), participation in services like *Friendster, Orkut* or *Facebook* provides resources for identity-building and reputation management. Donath and boyd have shown that SNSs allow users to negotiate presentations of self, and have suggested that the ‘public display of connection’ serves as an important identity signal that helps people navigate the networked social world.[[58]](#footnote-58) Furthermore, Choi has found that 85% of respondents to a Korean study ‘listed the maintenance and reinforcement of pre-existing social networks as their main motive for Cyworld use’.[[59]](#footnote-59)

If we consider these studies, the question then becomes whether sociability in itself can be considered as an empowering factor, or whether it acts as a means to reach further resources at different sites. On one hand, sociability per se might be a meagre outcome, if paid for in that precious currency of privacy.[[60]](#footnote-60) On the other hand, studies that identify the nature of further resources are still few, and mainly based at production sites.[[61]](#footnote-61)

To conclude, the skeptical perspectives we have reviewed in this section have the merit to focus the discussion on the means of production in a domain that has for long celebrated dematerialization. They also introduce a conflictual perspective into digital utopianism. Similar approaches help to raise the question as to whether the supposed empowerment of individuals and communities through Web 2.0 tools belongs only to the immaterial domain, or does it also apply to living resources and wealth. At the same time, I suggest that the recovery of a materialist perspective should avoid reproducing the virtual vs. real dichotomy inherited from libertarian cyberculture. Claiming that the knowledge dimension works as ‘parasite’ of the material dimension of living in extracting value from creative workers only shows the other side of the cyberculturalist coin.[[62]](#footnote-62) Rather, I argue that we cannot understand what digital communities have become if we do not jointly take into account their semiotic and technical character. After all, knowledge communities do not thrive in a *vacuum*, but rely on infrastructural layers that shape possible forms of interaction.

Finally, in the light of the breakdown of some of the internet libertarian culture’s funding myths, this chapter has shown that the advantages of online interaction for individuals and communities cannot be simply postulated, but needs to be investigated by asking actors themselves about their own theory of empowerment. This is what this book will do in the second part. Before embarking on this task, though, we need to first review two theories that try to answer the question about what remains of online communities once the techno-libertarian belief in an immaterial economy of the free has come to a crossroads.

Box 1 – The manifesto of the ‘No Screw Tube’ campaign numbering seven good reasons not to upload videos on YouTube-like Web 2.0 platforms. The campaign was promoted by Transmission.cc, a global network of citizen journalists, video makers, artists, researchers, hackers, and web producers who developed online video distribution tools for social justice and media democracy

|  |
| --- |
| Why NOT Just Use YouTube?The ‘No Screw Tube’ campaign is beginning… **1. Exploitation:**  ScrewTube exploits your free videomaking to gain ad revenue.  **2. Surveillance:**  Posting on YT risks surveillance and IP tracking, both by corporations and the state. For example in 2004 Yahoo collaborated with Chinese authorities to identify dissident blogger Shi Tao. He is now serving 10 years in jail. Many sites record your IP address, not just corporate projects.  **3. Censorship:**  Posting on YT opens the door to censorship since they will do takedowns at State request or for copyright violations.  **4. When Sharing isn't really sharing:**  Sites like YT only allow sharing with other members, or by embedding YT videos in your site or blog. There is no re-distribution via p2p networks, or availability of high-resolution downloads for screenings.  **5. When Free isn't really free:**  Though free to use, the platform is closed – using YT technology entails using YT. With free software platforms, anyone can create their own video-sharing site.  **6. When a community isn't really a community:**  YouTube was sold to Google for $1.65 billion in Google stock. If it can be bought and sold, is it really a community? Editorial and software control should be in the hands of the user community. Control of ScrewTube sites is organised by the profit motive.  **7. Intellectual Property:**  Sites like ScrewTube place exploitative terms and conditions on your contributions, allowing them to re-sell and remix your work.  Using existing ethical and pirate technologies, we can do much, much better…  Projects like VisiononTv, Ifiwatch.tv, Engagemedia.org (Australia) and numerous Indymedia video spin-offs, coordinated through Transmission, are linking up their databases to create decentralised search tools. This will greatly increase the profile and possibilities for social justice video online.  Using open source tools these projects hope that once you start watching in this way you won't go back! Miro allows subscription to different channels of video content; some themed and some the pick of channel editors. You can even subscribe to YouTube channels and it sneakily downloads those videos for you.  Independent Media is not stagnant, it's mutating. We'll start to see the fruits of this mutation soon… so stay tuned. |

1. Lovink and Rossiter, ‘Dawn of the Organized Networks’*.* [↑](#footnote-ref-1)
2. E. Rullani, ‘Lavoro immateriale e società della conoscenza’, in Gosetti G. (ed.), *Il lavoro: condizioni, problemi, sfide*, Angeli, Milan 2011, pp.13-34. Rullani defines ‘immaterial work’ as ‘cognitive and explorative work that produces knowledge. Modern work is both self-organizer (it moulds a subjectivity which is self-generated through experience) and reflexive (it is done by human beings who are, above all, in search for a meaning). […] [Cognitive work’s] role consists in explaining the growing complexity of life and production’. [↑](#footnote-ref-2)
3. Lovink, My First Recession; R. Florida, The Rise of the Creative Class: And How It’s Transforming Work, Leisure, Community and Everyday Life, New York: Basic Books, 2002; M. Wark, A Hacker Manifesto, Cambridge, Mass.: Harvard University Press, 2004; F. Berardi, Il sapiente, il mercante, il guerriero, Roma: DeriveApprodi, 2004. [↑](#footnote-ref-3)
4. Florida, The Rise of the Creative Class. [↑](#footnote-ref-4)
5. Wark, A Hacker Manifesto. [↑](#footnote-ref-5)
6. The attentive reader could call this assertion into question by noticing that the two books mentioned were published at the beginning of 2000s. However, we are not saying that the authors were directly involved in the Dotcom culture, but rather that their works ‘reflect’ a coexistence that was first experienced in the 1990s. After all, as Lovink, *My First Recession,* recalled, the Dotcom hype used to travel at such a speed that there are few books that were published *during* the phase of expansion. The first studies started being published only in 2000, in concomitance with the NASDAQ slump. [↑](#footnote-ref-6)
7. Lovink, *My First Recession,* pp. 63-64. [↑](#footnote-ref-7)
8. Castells, Internet Galaxy. [↑](#footnote-ref-8)
9. The inner quotation is taken from D. Stark, ‘Ambiguous Assets for Uncertain Environments: Heterarchy in Postsocialist Firms’, in P. J. DiMaggio, *The Twenty-first Century Firm: Changing Economic Organization in International Perspective*, Princeton, NJ: Princeton University Press, 2001: 69-103. [↑](#footnote-ref-9)
10. Turner, From Counterculture to Cyberculture, p.156. [↑](#footnote-ref-10)
11. Formenti, Mercanti di Futuro. [↑](#footnote-ref-11)
12. Formenti, *Cybersoviet*. [↑](#footnote-ref-12)
13. At least, this is the mythology that accompanies the birth of Arpanet. For a confutation of it – that nonetheless does not affect our discussion, see Hafner and Lyon, *Where Wizards Stay Up Late.* [↑](#footnote-ref-13)
14. I cannot account here for the numerous studies that since 2001 have been investigating the threats to privacy constituted by technologies of social sorting and control backed by TIA (Total Information Awareness, the global surveillance project designed by Pentagon in 2002 to substitute Echelon) and similar governmental initiatives worldwide. On the value of privacy confronted to national security see, among others, H. Nissenbaum, ‘Privacy in Context’, in G. Stocker, and C. Schöpf (eds) *Goodbye Privacy. Ars Electronica 2007*, Ostfildern: Hatje Cantz Verlag, 2007; B. Rössler, *The Value of Privacy*, London: Polity Press, 2005.On dataveillance technologies and the patterns of human coexistence that they enable, especially in the urban domain, see S. Graham, ‘Introduction: Cities, Warfare, and States of Emergency’, ‘Software-sorted geographies’, *Progress in Human Geography* 29.5 (2005): 1-19; D. Lyon, *Surveillance as Social Sorting: Privacy, Risk and Automated Discrimination*, London: Routledge, 2002. I wrote about urban planning challenges and technologies of social sorting in ‘Stretching the Line into a Borderland of Potentiality. Communication technologies between security tactics and cultural practices’, in A. Aurigi and F. De Cindio (eds) *Augmented Urban Spaces. Articulating the Physical and Electronic City*, Aldershot: Ashgate, 2008. For some lucid reflections about the interrelation of privacy and copyright issues, see V. Grassmuck, ‘Copyright Instead of Data Protection’, in G. Stocker and C. Schöpf (eds) *Goodbye Privacy*. [↑](#footnote-ref-14)
15. L. Lessig, *Code and Other Laws of Cyberspace*, New York: Basic Books, 1999. [↑](#footnote-ref-15)
16. Goldsmith and Wu, *Who Controls the Internet?*,p.10. [↑](#footnote-ref-16)
17. Goldsmith and Wu, Who Controls the Internet?, p. 49. [↑](#footnote-ref-17)
18. B. Wallraff, ‘What Global Language?’, *Atlantic Monthly*, November 2000, Quoted in Goldsmith and Wu, *Who Controls the Internet?.* [↑](#footnote-ref-18)
19. D. Crystal, *The Language Revolution*, Cambridge, Mass.: Polity, 2004. Quoted in Goldsmith and Wu, *Who Controls the Internet?*. [↑](#footnote-ref-19)
20. Source of these and of the following statistics: Internet World Stat, ‘Internet World Users by Language’, http://www.internetworldstats.com/stats7.htm, accessed 30 October 2008. [↑](#footnote-ref-20)
21. AA.VV, ‘”Living Dangerously on the Net”: Censorship and Surveillance of Internet Forums’, *Reporters without Borders*, May 12 2003. Quoted in Goldsmith and Wu, *Who Controls the Internet?*, [↑](#footnote-ref-21)
22. Goldsmith and Wu, *Who Controls the Internet?*, pp. 89-90. [↑](#footnote-ref-22)
23. Goldsmith and Wu, Who Controls the Internet?. [↑](#footnote-ref-23)
24. Turner’s reconstruction of how *Wired*’s editorial board turned out to sustain conservative politicians from ‘the Big Old Party’ is exemplary in this respect. [↑](#footnote-ref-24)
25. S. Rodotà,*Tecnopolitica*, Roma-Bari: Laterza, 1997. [↑](#footnote-ref-25)
26. Even if we cannot account here for the juridical literature on the sources of Law when acting on a transnational level, it should be mentioned that Rodotà talks about the privatization of governance functions on the internet (*Lex Informatica*) in a way that very much resembles Saskia Sassen’s concerns about the privatization of the regulatory functions in transnational politics and trade (*Lex Mercatoria*). See S. Sassen, *Territory, Authority, Rights: from medieval to global assemblages*, Princeton: Princeton University Press, 2006, pp.184-271. This similarity could be seen as a further element suggesting the artificiality of any distinction between virtual and physical realms, as they both have to face similar challenges. [↑](#footnote-ref-26)
27. K. Kelly, ‘The Web Runs on Love, not Greed’, *The Wall Street Journal*, 4 January 2002. [↑](#footnote-ref-27)
28. For the original definition of ‘Web 2.0’ see T. O’Reilly, ‘What Is Web 2.0. Design Patterns and Business Models for the Next Generation of Software’, *O’Reilly*, 30 September 2005, https://www.oreilly.com/pub/a/web2/archive/what-is-web-20.html. For a further, condensed definition see P. Graham, ‘Web 2.0’, 2005, http://www.paulgraham.com/web20.html. Paul Graham describes the origins of the term from the title of a series of $2800-fee conferences oriented to ‘throngs of VCs and biz dev guys’ organized by O’Reilly Media and Medialive International in 2004-5. Graham also provides a definition of Web 2.0 as user-oriented ‘Ajax’ web-based applications that can rely upon high-quality free contents thanks to systems of selection based on the vote of crowds (‘voters do a significantly better job than human editors’). [↑](#footnote-ref-28)
29. D. M. boyd, and N. B. Ellison, ‘Social network sites: Definition, history, and scholarship’, *Journal of Computer-Mediated Communication*, 13 (1) 2007, 210-230; H. Rheingold *Smart Mobs: the Next Social Revolution*, New York: Basic Books, 2002. [↑](#footnote-ref-29)
30. T.O’Reilly, ‘Web 2.0 Compact Definition: Trying Again’, 2006, http://radar.oreilly.com/2006/12/web-20-compact-definition-tryi.html. [↑](#footnote-ref-30)
31. L. Grossman, ‘Time’s Person of the Year: You’, *Time*, 13 December 2006. [↑](#footnote-ref-31)
32. Lovink, Zero comments. [↑](#footnote-ref-32)
33. See section 1.1. [↑](#footnote-ref-33)
34. Grossman, ‘Time’s Person of the Year’. [↑](#footnote-ref-34)
35. Della Porta, et al., ‘Searching the Net’. [↑](#footnote-ref-35)
36. Della Porta et al., ‘Searching the Net’. [↑](#footnote-ref-36)
37. See section 1.4. [↑](#footnote-ref-37)
38. Fuster i Morell, M. ‘The new web communites and political culture’. [↑](#footnote-ref-38)
39. With ‘cybersoviet’ Formenti (2008) names self-organized initiatives run by hackers and digital communitarians debating internal direct democracy and governance issues. [↑](#footnote-ref-39)
40. Since when this research was first written in 2007-2009, much literature has developed around this issue, starting with E. Pariser, *The Filter Bubble: What the Internet Is Hiding from You*, New York: Penguin Press, 2011. (Note to the 2018 Edition). [↑](#footnote-ref-40)
41. Ippolita collective, *Luci e ombre di Google*, Milano: Feltrinelli, 2007, quoted in Formenti, *Cybersoviet.* [↑](#footnote-ref-41)
42. Formenti, *Cybersoviet*, 244. [↑](#footnote-ref-42)
43. In his argument Formenti quotes the results of the ‘Liquidi & Mutanti. Industrie dei contenuti & consumatori digitali’ survey conducted by AC Nielsen for the Italian Permanent Observatory on Digital Contents. A summary of the results of the survey are available at http://aie2007.advansys.it/Portals/22/File%20allegati/OCD\_sintesiindagine.pdf. [↑](#footnote-ref-43)
44. As of 2008, Facebook board is composed of its young creator Mark Zuckerberg, venture capitalist Jim Breyer and neocon futurist and hedge fund manager Peter Thiel. [↑](#footnote-ref-44)
45. Formenti, *Cybersoviet*. [↑](#footnote-ref-45)
46. J. Boorstin, ‘Facebook’s New Ad Play In a Down Economy’, *CNBC.com*, http://www.cnbc.com/id/27682302. [Not anymore available on 02 September 2018]. [↑](#footnote-ref-46)
47. That Hodgkinson’s tone is all but exaggerated is demonstrated by the same firms’ representatives commenting the agreement: ‘with Facebook Ads, our brands can become a part of the way users communicate and interact on Facebook’ (Carol Kruse, vice president, global interactive marketing, the Coca-Cola Company); ‘we view this as an innovative way to cultivate relationships with millions of Facebook users by enabling them to interact with Blockbuster in convenient, relevant and entertaining ways. This is beyond creating advertising impressions. This is about Blockbuster participating in the community of the consumer so that, in return, consumers feel motivated to share the benefits of our brand with their friends’ (Jim Keyes, Blockbuster chairman and CEO). Comments quoted in T. Hodgkinson, ‘With friends like these…’, *The Guardian*, 14 January 2008. [↑](#footnote-ref-47)
48. Hodgkinson, ‘With friends like these…’. [↑](#footnote-ref-48)
49. T. Weber, ‘YouTubers to get ad money share’, *BBC News*, 27 January 2007, http://news.bbc.co.uk/2/hi/business/6305957.stm. One of the few exceptions is the video sharing platform *Revver*. Another case is the *AdSense* service by Google allowing targeted adverts banners to be published on personal websites and blogs. Already on 27 January 2007, during the World Economic Forum in Davos, Switzerland, *YouTube*’s founder Chad Hurley announced that a revenue-sharing system was being developed in order to ‘reward creativity’. Even if at that time the system was said to be expected in few months, almost two years later there is no trace of it. [↑](#footnote-ref-49)
50. Lovink, Zero comments. [↑](#footnote-ref-50)
51. This expression, quoted by Lovink, *Zero Comments,* 11, of Italian edition, was originally coined by Olivier Malnuit in his ‘Ten Liberal Communist Commandments’ published by French magazine *Technikart*. The term indicates an economic paradigm that sees copyright as an impediment to knowledge-based economic flows and fosters the creation of immaterial commons while recovering Adam Smith’s theory of the invisible hand. See S. Zizek, (2006), ‘Nobody has to be vile’, *London Review of Books*, available at http://www.lrb.co.uk/v28/n07/zize01\_.html.; Y. Benkler, *The Wealth of Networks: How Social Production Transforms Market and Freedom*, New Haven, CT: Yale University Press, 2006 has probably elaborated the most complete version of this post-modern eschatology: he foresees a new form of capitalism freed from private property. For an accurate analysis of the theoretical bases of this school of thought, see Formenti, *Cybersoviet.* [↑](#footnote-ref-51)
52. Lovink,  *Zero comments*, p. 37. [↑](#footnote-ref-52)
53. N. Carr, ‘The Amorality of Web 2.0’, *Rough Type*, 3 October 2005, http://www.roughtype.com/archives/2005/10/the\_amorality\_o.php. [↑](#footnote-ref-53)
54. N. Carr, ‘Hypermediation 2.0’, *Rough Type*, 28 November 2005, http://www.roughtype.com/archives/2005/11/hypermediation.php. [↑](#footnote-ref-54)
55. C. Anderson, *The Long Tail: Why The Future of Business in Selling Less of More*, New York: Hyperion, 2006. The well-known ‘Long Tail’ economic paradigm illustrated by *Wired* editor Chris Anderson (Anderson 2006) asserts that products that are in low demand or have low sales volume can collectively make up a market share that rivals or exceeds the relatively few current bestsellers and blockbusters, if the store or distribution channel is large enough. Examples of such mega-stores include Amazon.com and Netflix. [↑](#footnote-ref-55)
56. D. Hornik, ‘Where’s the Money in the Long Tail?’, *Venture Blog*, 13 December 2005, http://www.ventureblog.com/2005/12/wheres-the-money-in-the-long-tail.html. [↑](#footnote-ref-56)
57. For instance, in 2008 *YouTube* is expected to produce $ 100 millions of revenue in US and between $ 200 and 250 millions worldwide, while *Google* paid 1,65 billions to take it over in 2006. Source: Bradshaw and Garrahan (2008). In 2007 *Facebook*’s revenue amounted to $150m millions, while they are expected to reach $ 265 millions in 2008. K. Swisher, ‘Chatty Zuckerberg Tells All About Facebook Finances’, *All Things Digital*, 31 January 2008, http://kara.allthingsd.com/20080131/chatty-zuckerberg-tells-all-about-facebook-finances/. [↑](#footnote-ref-57)
58. J. Donath and D. M. boyd, ‘Public displays of connection’, *BT Technology Journal* 22.4 (2004): 71-82. [↑](#footnote-ref-58)
59. J. H. Choi, ‘Living in Cyworld: Contextualising Cy-Ties in South Korea’, in A. Bruns and J. Jacobs (eds) *Use of Blogs (Digital Formations)*, New York: Peter Lang, 2006, p.181; boyd, and Ellison ‘Social network sites’.

    [↑](#footnote-ref-59)
60. S. Barnes, ‘A privacy paradox: Social networking in the United States’, *First Monday* 11 (9), 4 September 2006, http://www.firstmonday.org/ojs/index.php/fm/article/view/1394/1312. [↑](#footnote-ref-60)
61. See for example, Saxenian, *Regional Advantage.* [↑](#footnote-ref-61)
62. M. Pasquenelli, *Animal Spirit. A Bestiary of the Commons*, Rotterdam: NAi Publishers, 2008. [↑](#footnote-ref-62)