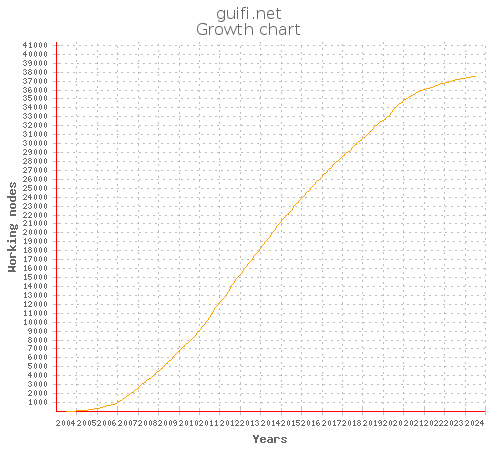
# 8. The Mixed Political Economy of Guifi.net

This chapter throws a closer look at the different models used economically by Freifunk and Guifi. In particular, it investigates in which ways the fact that Guifi has a mixed political economy contributed to its growth. This sub-chapter also investigates the terms in which network freedom is defined and with which other ideas and measures it is connected.

Guifi and Freifunk have chosen different models. In Germany, it seems there is a high ethical stance adopted by volunteers who are building and maintaining networks. The initial *Model 1* as proposed by Consume (see Chapter 1) was that each node should be built and maintained by its owner. But this turned out to be slightly utopian. Building proper, reliable nodes goes still far beyond the capacity of the average user. So in Germany, the networks are built by volunteers, who donate free labor to build and maintain networks.

In Spain that happens too, but in addition to voluntary work there is also the option of having people come to build one’s node in a paid capacity. Only slowly I start to understand what a complex *being* Guifi.net is. I am not implying that volunteers in Spain are less idealistic than their German peers. But I would like to high-light that Guifi has created a unique mixed economy where capitalist elements can co-exist with the commons, and vice versa.

Guifi is managing an expanded web of contacts between node builders and node owners via the Guifi website. This website is, by the way, far more than simply a website, but more like a central hub that facilitates the growth of Guifi. A quite elaborate social media system has been built, which allows users to rate network builders, who are often small IT companies, consisting of one or two people. In times of a severe economic crisis in Spain, this enables aficionados of free software and free networks to earn a bit of money. Maybe this gives Guifi a chance to maintain its fast growth rates.[[1]](#footnote-1)

Fig. 28. Guifi growth rates from 2004 with predictions until 2024.

In Germany, it seems, paying people to build networks is anathema to most. The shared ethical stance – which has been voluntarily adopted and not been imposed by anyone – demands that people build free networks through free labor. Both models have their pros and cons. The German model works as long as enough techies are available to donate their time. Even the Berlin Backbone is built without paid labor. The funding from the Berlin Brandenburg Media Agency is only used for hardware and other materials.

The Spanish model seems to work pretty well too. But it can also have centrifugal consequences. Some of those service providers will always want to privatize the network segment they have created. They will try to take their customers with them and build a service provider company. However, the Guifi foundation exists as a governance layer to prevent this.

Both, Guifi and Freifunk have become very strong in advocacy. Neither of which sees itself as a centralized company or a network provider. Neither the Guifi Foundation nor the Freifunk Förderverein (not-for-profit umbrella organization) are running those networks. Their task is to advocate the building of free networks in two directions: on one hand, towards the official world of institutions, city, town and village administrations, and internally, regarding the community of active and potential network builders. But there is also a difference, regarding the type of advocacy.

In my view – which I do not claim to be objective and someone can come and correct me – Guifi advocates the right of access to the internet as a fundamental freedom and right for all people more strongly than anybody else, while Freifunk argues slightly differently, advocating the political implications of a free network, free from government surveillance and commercial interests, which may distort network freedom.

Guifi is consciously creating a network commons and uses also the term commons in its language. Ramon Roca:

The network is managed as a commons. Whatever you have wireless and cable-bound, whichever protocols, and all the economics – which are a lot – have to respect that the network is in the commons. It is not in control of a single person, single company, single point of interest. That does not mean that there can be no business. A lot of business can happen around that but based on the service.

He insists that whoever makes a business there by building the network, planning, and maintaining it, ‘has to respect that the return comes from his services. It is not coming from claiming ownership of the network and then asking a higher price to whoever wants to use it. They have to respect the internet as commons.’ Ramon Roca:

We are not building a private internet, we are part of the internet. Internet is the result of the networks, so we are simply a part of that. We have a portion of the internet that works as a commons, and other portions maybe do not work as a commons. And the only thing we have to do is to interconnect. So what happens inside the commons is we do not charge anything for interconnecting.

The mixed economy allows people to build a business model for instance by providing some kind of support after disasters. They guarantee they will bring a node back within four hours for a certain fee. But you are not charging for interconnecting between networks, which is called peering. Guifi are systematically peering, for free, explains Ramon.

You don’t take economic advantage from each other. Don’t be intrusive in terms of looking what they are doing, in terms of privacy also, which is taken care by the licenses, and doing the business but not in controlling the network, keeping it as a commons.

In order to do so, it would be good to be able to rely on the state as a benevolent partner. Commons theorists maintain that there should be alliances between democratic governments to create commons enabling legislation. Yet regulation can be easily circumvented. Ramon Roca:

But even talking in market terms, everybody knows that the market does not work if there is no competition. There are many ways of avoiding competition. So that’s why in every country you have a regulatory agency to ensure that happens. When there is an incumbent with too much difference towards the others, there is no free competition and they will do whatever to protect their position, such as to create bureaucratic problems. This is a very long story. And it differs between countries, but often the regulator can be captured by the lobby interests because they are very powerful.

The interests of the incumbent are often more highly on the mind of politicians than the interest of the majority of people. Nevertheless, so far Guifi have been able to fight off any charges, whether they come from government or business.

In order to keep the balance between commercial business and those merely participating in the network as a commons, All users of Guifi.net have to subscribe to *The Compact for a Free, Open & Neutral Network* (FONN Compact). This contract has carefully looked at other examples such as the Pico Peering Agreement and has enshrined network freedom in a small number of principles to which everyone has to subscribe, thus allowing a network to grow which has different property structures, but works as a commons regardless, through its commitment to interconnect. The three principles deserve some closer explanation. I quote:

1. It is open because it is universally open to the participation of everybody without any kind of exclusion nor discrimination, and because it is always described how it and its components work, enabling everyone to improve it.

2. It is free because everybody can use it for whatever purpose and enjoy it as foreseen in the freedoms of the *General principles* section, independently of their degree of network participation.

3. it is neutral because the network is independent of the contents, it does not influence them and they can freely circulate; the users can access and produce contents independently of their financial capacity or their social condition. The new contents produced by guifi.net are orientated to stimulate new ones, or for the network administration itself, or simply in exercise of the freedom of adding new contents, but not to replace or to block others.

It is also neutral with regard to the technology. The network can be built with whatever technology chosen by the participants with the only limitations resulting from the technology itself.

However, any rule needs enforcement in order to function. Guifi.net has chosen to look at Elinor Ostrom’s research on how commons can function and avoid their *tragedy*. From the design principles for a commons, they have chosen ‘4) Effective monitoring by monitors who are part of or accountable to the appropriators.’ This is one of the reasons why Guifi is applying network monitoring methods. It is another thing which initially perplexed me. In the early days of Consume, metering would have been seen as a first step towards charging and thus in opposition to the spirit of network freedom. Ramon Roca disagrees:

We aim for a net neutrality, not only the commons. That’s far from being a religion. To be neutral we should maintain agnostic in all aspects, technology, between volunteer activity or professional activity, allow all uses from free as in beer or commercial services on it..., be safe from governments... not to say about politics or religions. Important not to become fundamentalist.

It seems that Guifi does not only have no problems with metering traffic, but on the contrary, sees it as a prerequisite for building an effective network commons.

For sustainability of the commons and for managing the network you need capacity planning and economics involved in investments or operating expenses (regardless if there is money in between or not). For sure, it requires metering for managing the network itself, diagnosing where more capacity is required, etc.

As the mixed political economy of Guifi.net includes governments and businesses, the metering also serves the aim of checking if people pay their dues. The condition for businesses and administrations participating in the commons infrastructure is that they have to compensate, by paying back something.

The Guifi.net website is the embodiment of this social and technological construct which is Guifi, a network commons-based on a mixed political economy. The metering capacity also is a necessity for network planning. And recently, Guifi cannot be called a wireless community network anymore, since it has started to deploy more and more fibre. Ramon Roca: ‘We started in 2009; we were realizing that fibre was getting much cheaper and also much more reliable and capable; but it’s a difficult journey, with lots of bureaucracy, it’s a complex project, but still a planning issue.’

Once the new way of working with fibre has been mastered, explains Ramon, it is quite easy to roll out and can be much more cost-effective than anything else. With fibre, Guifi can offer one Gigabit per second symmetric bandwidth. Fibre, Ramon Roca is convinced, is the future.

All those properties together, Guifi’s mixed economy, its strength in advocacy, the existence of effective mechanisms for conflict resolution through supervision and its agnosticism, if one can say so, against anything fundamentalist, make this a very open, very adaptable model which is, in my view, the secret of Guifi’s success. And Guifi’s mixed political economy has allowed it to grow at a rate that has made itself visible in government statistics. Ramon Roca:

In 2004 the region, Osona with 150,000 inhabitants, was ranked 31st in Catalonia in terms of bandwidth, and now we have ten percent above the average, because it was the first region to reach the European average. So now we can provide that we are the only county in Catalonia that meets the European average, and this year we went above the average. If you look at the statistics you see we make the difference, it’s the ten percent. By having alternatives, we can ensure to meet the Digital Agenda 2020 of the European Union. We are maybe a minority, but we are still ten percent. And that ten percent will make a difference.

1. Guifi.net: Node statistics, https://guifi.net/guifi/menu/stats/nodes. [↑](#footnote-ref-1)