Return-Path: <owner-nettime-l@bbs.thing.net>
Received: from mail.zedat.fu-berlin.de
        by fetchmail-4.6.4 POP3
        for <root/localhost> (single-drop); Tue, 13 Jun 2000 10:49:34 CEST
Received: by Mail.ZEDAT.FU-Berlin.DE (Smail3.2.0.98)
          from mx02.gmx.net (213.165.64.102) with smtp
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Received: (qmail 18723 invoked by alias); 12 Jun 2000 18:09:17 -0000
Delivered-To: GMX delivery to paragram@gmx.net
Received: (qmail 18513 invoked by uid 0); 12 Jun 2000 18:09:13 -0000
Received: from bbs.thing.net (209.14.134.50)
  by mx03.rz2.gmx.net with SMTP; 12 Jun 2000 18:09:13 -0000
Received: (from majordom@localhost)
        by bbs.thing.net (8.9.3/8.9.3) id MAA07437
        for nettime-l-outgoing; Mon, 12 Jun 2000 12:30:26 -0400
Message-Id: <200006121630.MAA07437@bbs.thing.net>
Date: Sun, 11 Jun 2000 21:36:14 -0400 (EDT)
To: nettime-l@bbs.thing.net
From: andrew ross <ar4@is.nyu.edu>
Subject: <nettime> [talk given at tulipomania dotcom]
Sender: owner-nettime-l@bbs.thing.net
Precedence: bulk
X-Resent-By: Global Message Exchange <forwarder@gmx.net>
X-Resent-For: paragram@gmx.net
X-Resent-To: cantsin@zedat.fu-berlin.de
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Status: RO
Content-Length: 14437
Lines: 215
[more on www.balie.nl/tulipomania]

Text of presentation at the panel "Sillicon Valley as a Global Business Model" Tulipomania Dotcom conference, Amsterdam, June 2, 2000

Andrew Ross

My comments on the Silicon Valley business model will focus on patterns of work and labor that seem to have become a standard in digital and other New Economy workplaces. And the argument I will make is that these new work routines have much in common with older sacrificial traditions of labor, most familiar to artists, writers, teachers and scholarsBthe traditional practitioners of mental labor, from whom there is much to learn. Indeed it looks as if these older traditions of labor are rapidly being moved from the margins of the productive economy in Bohemia and the Ivory Tower to core sectors of the information economy, where their artisanal or craft mentality is become industrialized.

One place to begin is the managerial phenomenon, which you can see in corporate rituals like Casual Friday, of relaxing workplace formality and re-engineering a formerly alienating work environment to persuade workers that their personality is being acknowledged to make them feel at home, rather than at work; all the more present from feeling like an absentee. Casual Friday is part of the new wave managerial ethos that preaches the leveling of workplace hierarchies and liberation of workers from bureaucratic constraints. After several decades in which workers were encouraged to find the true meaning of themselves in leisure time and consumption, work, according to this ethos, is once again the place where our identity is to be most deeply felt and shaped. Perhaps this is just as well in the U.S. which boasts an economy where the amount of leisure time available to workers has been in steady decline since the early 1970s, and where chronic overwork, and not unemployment, is the primary feature of the labor landscape.

For the most advanced examples of this ethos, you would have to go, not to

Wall Street, but to Silicon Alley, where start-upshave been at this game since the mid-1990s when the physical culture of the pioneer New Media workplace was more or less an extension of the grungy artists' loft. When tulipomania broke out, ritzy designers were hired to create setpiece interiors. Trophy environments at companies like Screaming Media, DoubleClick and Oxygen Media featured flexible, communal spaces, where cubicles were banished, and walls were rendered translucent. The office was re-imagined as a giant, multi-purpose playroom for an ever-shifting team of workers. Cool, buzzworthy graphics are flung across the walls and ceilings. Pool tables in game rooms, basketball courts, and wellness relaxation spaces are a relief and counterpoint to the omnipresent but deftly decentered computer workstations. Who would ever want to go home? It was Silicon Valley, of course, which pioneered an earlier version of the informal workplace, where whizz kids didn't have to grow up and leave the never-never land of adolescence and where the thrill of invention was unsullied by the external, social world. Silicon Alley upgraded the informality by adding all the hip features of an urban artist lifestyle. For the New Economy's boosters, these environments are the ultimate physical embodiment of all the flexibility talk that has dominated corporate culture for the last twenty years of economic restructuring. In the technically skilled echelons of Silicon Valley, a de luxe form of temping emerged as the model pattern of employment, much hyped, and much overrated. Well-paid technicians, engineers, and designers became independent contractors, eschewing benefits, pension packages and other forms of job security for the freedoms offered by contingent work. "Employees without jobs", they moved from company to company, pollinating the seeds of innovation, according to the new flexible style of corporate organization. Over the course of the 1990s the model segued into what managerial pundits call the "free agent" --a skilled, but flexible worker, with no enduring company loyalties beyond the terms of the contract. The corporate crusade to downsize and shed its permanent workforce seemed to have met its perfect love-match; workers who do not want a regular paycheck or any form of benefits from the companies for which they occasionally work. For the most fortunate, the freelance lifestyle is a heady potion, and their fantasies of autonomy (while still being paid by the Man) are seized on and glorified as a way to sell the profile of flexible labor in general. Indeed, a large part of the attraction of the free agent profile draws on the appeal to bohemian glamor.

If you want, you can work out of cafes, as Hemingway and Dali did, wear earrings, and very casual clothes, keep artists hours, and still draw a fat paycheck. What are the consequences of this desire to assume the trappings of the artist? First of all, let us be clear that first and foremost, it is an invitation to underpayment. Artists' traditions of sacrificial labor are governed by the principle of the cultural discount, by which artists and other arts workers accept nonmonetary rewards---the gratification of producing art--as compensation for their work, thereby discounting the cash price of their labor. Indeed, it must be acknowledged that the largest subsidy to the arts has always come from workers themselves. The mythology of the "starving artist" is rooted in the political economy of the creative professions, and the historical legacy of their emergence from the mold of aristocratic patronage.

Just as important, however, is the serviceability of the artist's flexible labor. Since flexible specialization was introduced as a leading industrial principle, the number of artists employed in the US general labor force has risen rapidly to over 2 million this number has doubled over the last two decades. Whether or not we can verify a proliferation of new jobs for artists, it is clear that the "mentality" of artists' work is more and more in demand and is steadily being relocated from its traditional position at the social margins of the economy and recruited into roles closer to the economic centers of production. Indeed, the traditional profile of the artist as unattached and adaptable to circumstance is surely now coming into its own as the ideal definition of the postindustrial knowledge worker: comfortable in an ever-changing environment that demands creative shifts in

communication with different kinds of employers, clients, and partners; attitudinally geared toward work that requires long, and often unsocial, hours; and accustomed to a contingent, rather than a fixed routine of self-application. A close fit, in other words, with the profile of the free agent. Silicon Alley is a case in point. Among the original backbone of the Silicon Alley workforce were many who had been trained primarily as artists. In the entirely non-unionized workplaces, over half the jobs were filled by contract employees, with no employer-supported health care. Deeply caffeinated 85-hour workweeks without overtime pay became a way of life for Webshop workers on flexible contracts, who invest a massive share of "sweat equity" in the mostly futile hope that their stock options will pay off.

Even the lowliest employee feels like an entrepreneurial investor as a result. In most cases, the stock options turn into pink slips when the company goes belly-up, or, in some cases, employees are fired before their stock options are due to mature. With the explosive growth of the last two years, the number of fulltime workers has increased noticeably (by 57% annually). Yet in the most recent industry survey, the expected rate of growth for part-time (30%) and freelance employment (33%) still competes with that for full-time job creation (38%). According to this chart of comparative compensation data for 1988 the average 1998 fulltime salary, not including stock equity, was less than half the equivalent in old media industries, like advertising and television broadcasting. Evolving patterns of subcontracting in Silicon Alley are not far removed from those that created offshore back offices for data-processing in the Caribbean, Ireland, and Bangalore, or semiconductor factories in countries that also host the worst sweatshops in the global garment industry. All in all, the New Media workplace is a prescient indicator of the near-future of labor which combines mental labor with new technologies. Customized workplaces where there is little distinction between work and play, where you have horizontal networking among heroic teams of self-directed workers; the proto-hipster appeal of bohemian dress codes, personal growth, and non-hierarchical surroundings; the vague promise of bounteous rewards from stock option gambles; and employees so complicit with the culture of overwork and burnout that they have developed their own insider brand of sick humor about being "net slaves" i.e. it's actually cool to be exploited so badly. Industrial capitalists used to dream about such a workforce, but their managerial techniques were too rigid to foster it. These days, the new wave management wing of the New Economy worships exactly this kind of work environment.

There is a similar story to tell about the sacrificial traditions of academic labor. Indeed, the rapidity with which the low-wage revolution has swept through higher education in the last fifteen years was clearly hastened along by conditions amenable to discounting mental labor. For one thing, the "willingness" of scholars to accept a discounted wage out of "love for their subject" has helped not only to sustain and magnify the cheap labor supply. Employers have long relied on maintaining a reserve army of unemployed to keep wages down in any labor market. Higher education is now in this business with a vengeance. In addition---and this is the significant element---its managers increasingly draw on a volunteer low-wage army. By this I do not mean to suggest that adjunct and parttimer educators eagerly invite their underpayment and their lack of benefits or job security. Nor are they inactive in protesting and organizing for their interests. Rather, I choose the term to describe the typical outcome of a training in the habit of embracing non-monetary rewards as payment for work.

As a result, low compensation for a high workload becomes a rationalized feature of the job, and, in the most perverse extension, is regarded as proof of the worth of the academic vocation--underpayment is the ultimate measure of the selfless and disinterested pursuit of knowledge. So, too, the peripatetic regimen of contingent faculty workers is germane to the eccentric work schedule of the traditional academic, who commonly observes no clear boundaries between being on and off the job, and for whom there is often little distinction between paid work and free labor. For the

part-timer, desperate to retain the prestige of being a college teacher, the identity of being a switched-on, round-the-clock thinker, eager to impart knowledge, and in a position to freely extend her mental labor, feeds into the psychology of casualized work and underpayment. The industrial worker, by comparison, is not beset by such occupational hazards. Again, what we see is the fabrication of a model "flexible employee" out of the cloth of a customary training in the service ideals of mental labor. Capital may have found the makings of a self-justifying, low-wage workforce, at the very heart of the knowledge industries so crucial to its growth and development.

All of the above leaves us, especially educators among us, with some difficult questions. Are we contributing involuntarily to the problem when we urge youth, in pursuing their career goals, to place principles of public interest or collective political agency or creative expression above the pursuit of material security? In a labor environment heavily under the sway of neo-liberal business models, is it fair to say that this service ideal invites, if it does not vindicate, the manipulation of inexpensive labor? Fifteen years ago, this suggestion would have seemed ludicrous. Labor freely offered in the service of some common benefit or mental ideal has always been the informal economic backbone that supports political, cultural and educational activities in the nonprofit or public interest sectors. Selfless labor of this sort is also a source of great pleasure. But what happens when some version of this disinterested labor moves, as I have suggested here, from the social margins to core sectors of capital accumulation? When the opportunity to pursue mentally gratifying work becomes a rationale for discounted labor at heart of the key knowledge industries, is it not time to rethink some of our bedrock values? We do have a responsibility to recognize the cost of our cherished beliefs in political and educational ideals. These ideals come at a price, and managers of the New Economy are taking full advantage of the opportunities that exist for capitalizing on our neglect of that price.

Some part of the challenge we face lies in organizing the unorganized, in this case, those whose professional identity has been based on a sharp indifference to being organized. The sectors I have been describing here draw on an intimate and shared experience of the traditions of sacrificial labor. Yet they are divided by singular craft-like cultures, and by a tangle of class distinctions. Those most in denial (the most secure) will swear off any and every affinity. It will take more than a leap of faith to establish solidarity among mental labor fractions divided by the legacy of privileges passed down over centuries. Nevertheless, while the chief blight of these centuries had been chattel slavery, serfdom, and indentured labor (and we are not done with these), we must now respond to that moment in the soulful lullaby of "Redemption Song" where Bob Marley soberly advises us: "Emancipate yourself from mental slavery."