

FACEBOOK VERSUS DIASPORA. AN EVALUATION OF CAPITALIST AND ALTERNATIVE (COMMUNIST) SOCIAL MEDIA INITIATIVES

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“People use Facebook to stay connected with their friends and family, to discover what is going on in the world around them, and to share and express what matters to them to the people they care about.”

“Facebook was not originally created to be a company. It was built to accomplish a social mission – to make the world more open and connected”
(Facebook’s IPO, 2012)

diaspora*

“Diaspora is the social network that puts you in control of your information, while offering you an awesome new social networking experience! Built to make a change, Diaspora is paving the way to a more open social networking experience of everyone.”

(What’s Diaspora?, 2012)

SNS: double commodification

- The notion of '*private property*' is essential when analyzing the political economy of social media
- *Private property* and social network sites (SNS): **2 major aspects** ("double commodification")
 - 1) personal information --> **privacy**
 - 2) user-generated content --> **sharing**
- **Personal information & privacy**
 - Corporate surveillance with the goal of selling user data for targeted advertising
- **User-generated content & sharing**
 - Value creation (based on prosumption/produsage): networking effects support a growing user base

Private property vs. Personal property

- Karl Marx
 - **Private property ≠ Personal property**
 - Private (bourgeois) property = the means of production owned by capitalists
 - Personal property = goods produced by an individual
 - Marx advocated the abolition of private property, not personal property
- Pierre-Joseph Proudhon
 - ***“Property is theft”***
 - Property = the right of the owner to do with it whatever he/she pleases to do
 - Right of property in contradiction with the rights of liberty, equality, and security

Karl Marx vs. Pierre-Joseph Proudhon

- **Proudhon** (Philosophy of Poverty, 1846)
 - Contradiction between use-value and exchange-value
 - This contradiction is the basis of poverty, inequality and economic crises
 - '*synthetic value*' = one commodity which requires x hours to produce will be exchanged with any other commodity that requires the same hours to produce
 - **Equality**: equal contributions to society receiving equal rewards from society
- **Karl Marx** (Capital – Vol. 1, 1867)
 - A commodity is twofold, i.e. use-value and exchange-value
 - The value of a commodity is determined by the amount of socially necessary labor-time, required for its reproduction (labor-time beyond what is socially necessary is simply wasted – i.e. labor-time during which no value is created)
 - Starting point is not equality, but **inequality**
 - Commodity production generates social inequality

The abolition of private property

- **Communist Manifesto** (Marx & Engels, 1848/2008, 53):
*“The distinguishing feature of Communism is not the abolition of property generally, but the abolition of bourgeois property. But modern bourgeois private property is the final and most complete expression of the system of producing and appropriating products, that is based on class antagonisms, on the **exploitation of the many by the few.**”*
- In the context of **social media**:
 - Capitalist social media: exploitation of the many by the few
 - Therefore, replaced by alternative (or communist) social media?

Privacy & social media

- **Different definitions & approaches:**
 - Spinello (2003): 1) solitude, 2) secrecy, 3) anonymity
 - Solove (2004): 1) protection from Big Brother, 2) secrecy, 3) non-invasion, 4) control over information use
 - Solove (2008): 1) right to be left alone, 2) limited access to the self, 3) secrecy, 4) control over personal information, 5) personhood, 6) intimacy
 - Nissenbaum (2010): Privacy as contextual integrity
- The need of **rethinking** the privacy concept?
- **Beyond the liberal concept of privacy** (in the case of social media)
 - Strengthen the protection of consumers and citizens from corporate surveillance
 - *“Privacy for dominant groups in regard to secrecy of wealth and power can be problematic, whereas privacy at the bottom of the power pyramid for consumers and citizens can be a protection from dominant interests. Privacy rights should therefore be differentiated according to the position people and groups occupy in the power structure.”* (Fuchs, 2011, 14)

Sharing & social media

- **Prosumption** – Toffler (1980, 277): the combination of production and consumption entailed in the *“unpaid work done directly by people for themselves or their community,”* arguing that it had been virtually excluded from economic analysis because it did not contribute to the production for exchange (Murdock, 2011, 30)
- 2 (main) problems with the **‘participatory web ideology’** (e.g. Jenkins, Tapscott & Williams, Shirky, Leabeater, et al.)
 - 1) the reproduction of corporate ideology by presenting the public interest as synonymous with business interests and privileging consumer activity over citizen involvement (capitalism as a barrier rather a resource for change)
 - 2) the failure to confront the full cultural & social consequences of increased corporate power
- *“Through co-production, consumers relieve manufacturers and retailers from performing various activities along the value creation chain”* (Murdock, 2011, 33)
- In the case of **Facebook**: *“the audience commodity is an **internet prosumer commodity**”* (Fuchs, 2012, 146)



- **How does Facebook create value?**
 - For Users
 - *Connect with your friends, discover and learn, express yourself, control what you share, experience FB across the Web & stay connected on mobile devices*
 - For Advertisers & Marketers
 - *Reach, relevance, social context & engagement*
 - For Developers
 - *Personalized and social experiences, social distribution & payments*
- This is **the official FB's discourse** (Facebook's IPO, 2012)



- **What is Facebook's strategy?**

“Our mission: to make the world more open & connected”

- *Expanding our global user community*

- *Build great social products to increase engagement*

- *Provide users with the most compelling experience*

- *Build engaging mobile experiences*

- *Enable developers to build great social products using the FB platform*

- *Improve ad products for advertisers & users*

- This is **the official FB's discourse** (Facebook's IPO, 2012)

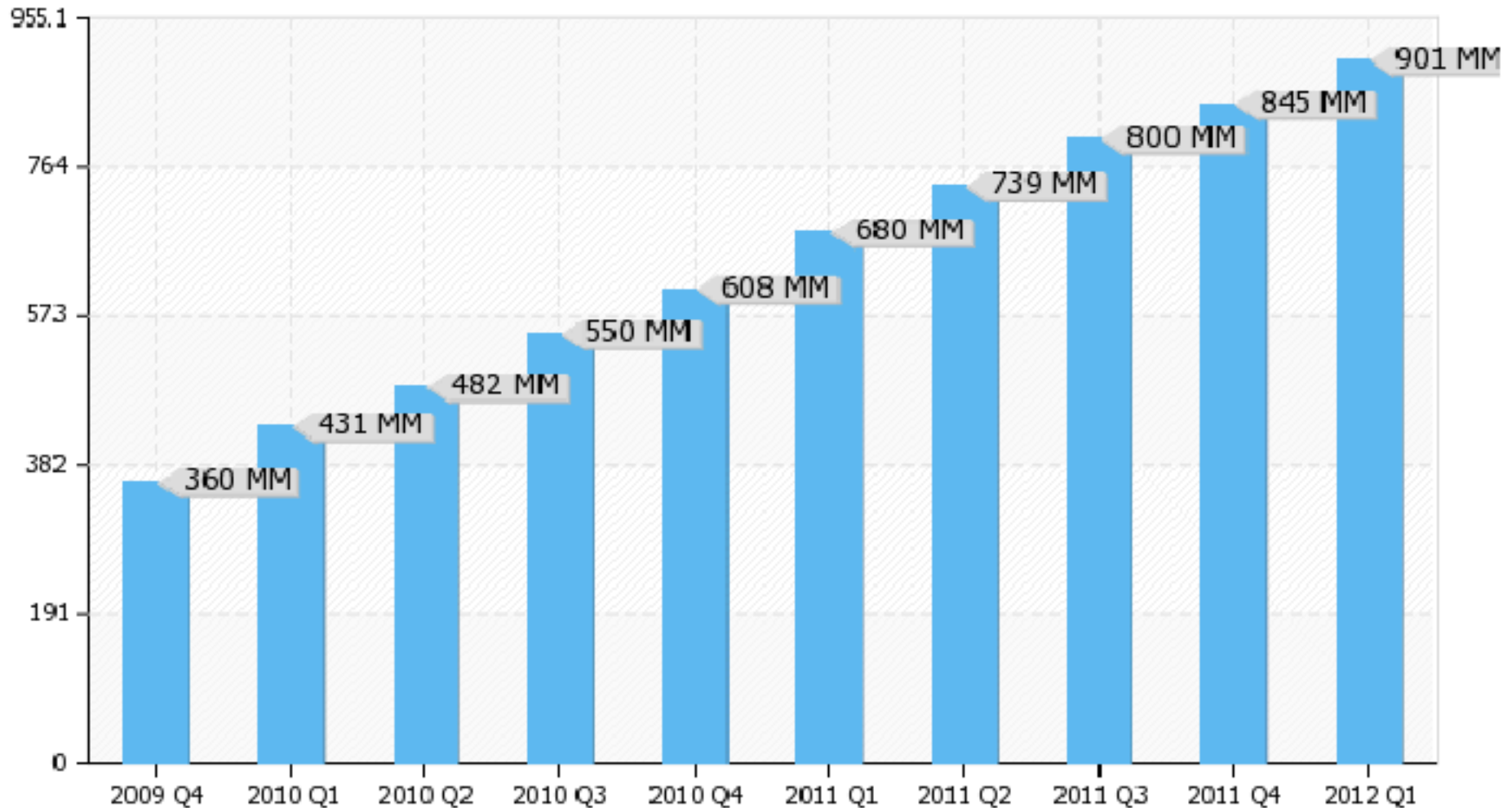


- **What are Facebook's risk factors?** (some examples)
 - *If we fail to retain existing users or add new users, or if our users decrease their level of engagement with FB, our revenue, financial results, and business may be significantly harmed*
 - *We generate a substantial majority of our revenue from advertising. The loss of advertisers or reduction in spending by advertisers with FB, could seriously harm our business*
 - *Growth in use of FB through our mobile products, where we do not currently display ads, as a substitute for use on PCs may negatively affect our revenue and financial results*
 - *Our business is highly competitive, and competition presents an ongoing threat to the success of our business*
 - *Improper access to or disclosure of our users' information could harm our reputation and adversely affect our business*
 - *Our business is subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, data protection, and other matters. Many of these laws and regulations are subject of change and uncertain interpretation, and could harm our business*
- **This is the official FB's discourse** (Facebook's IPO, 2012)

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Facebook, Inc.
Total (Worldwide) MAUs (Millions)

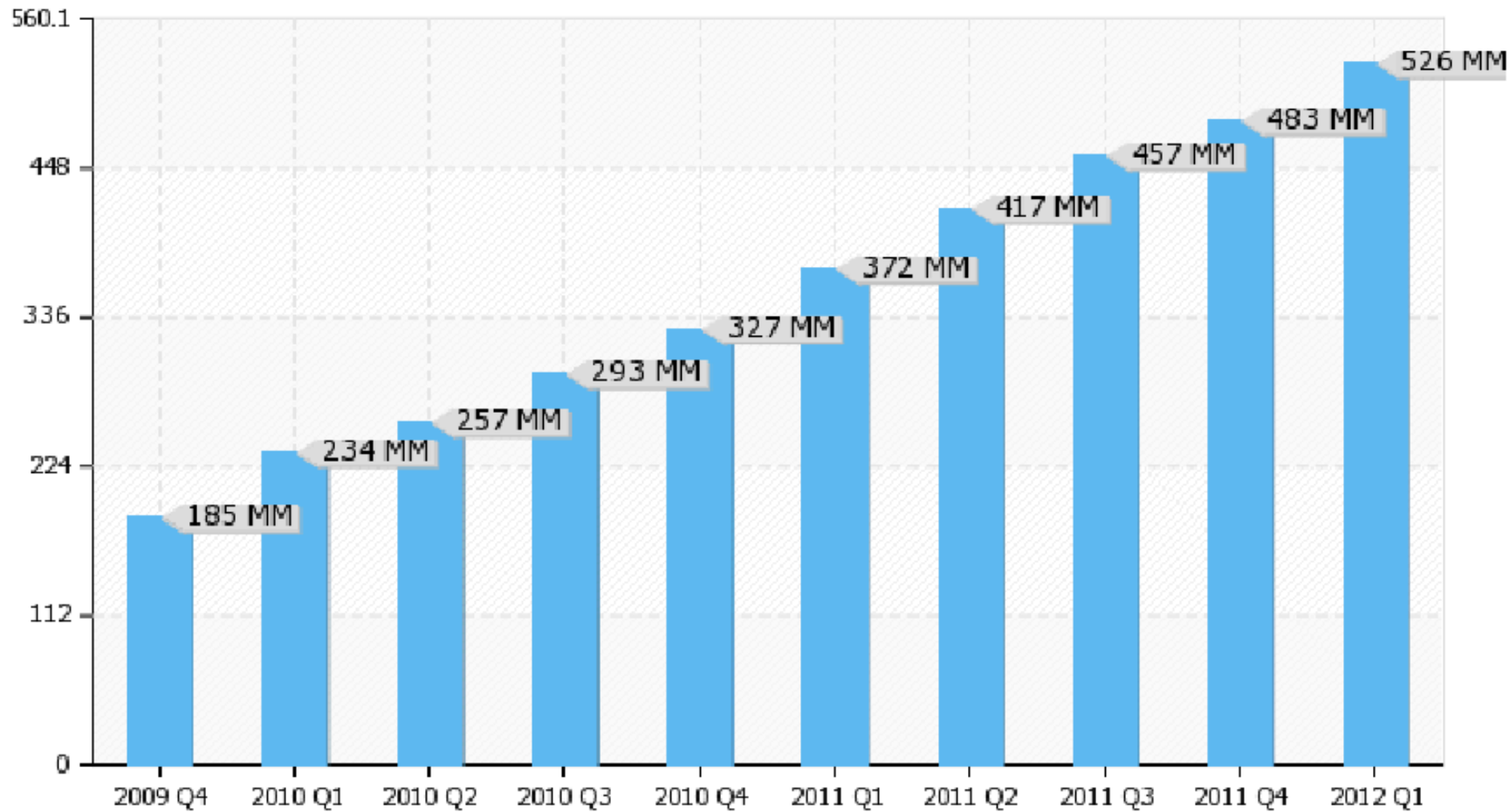
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Facebook, Inc.
Total (Worldwide) DAUs (Millions)

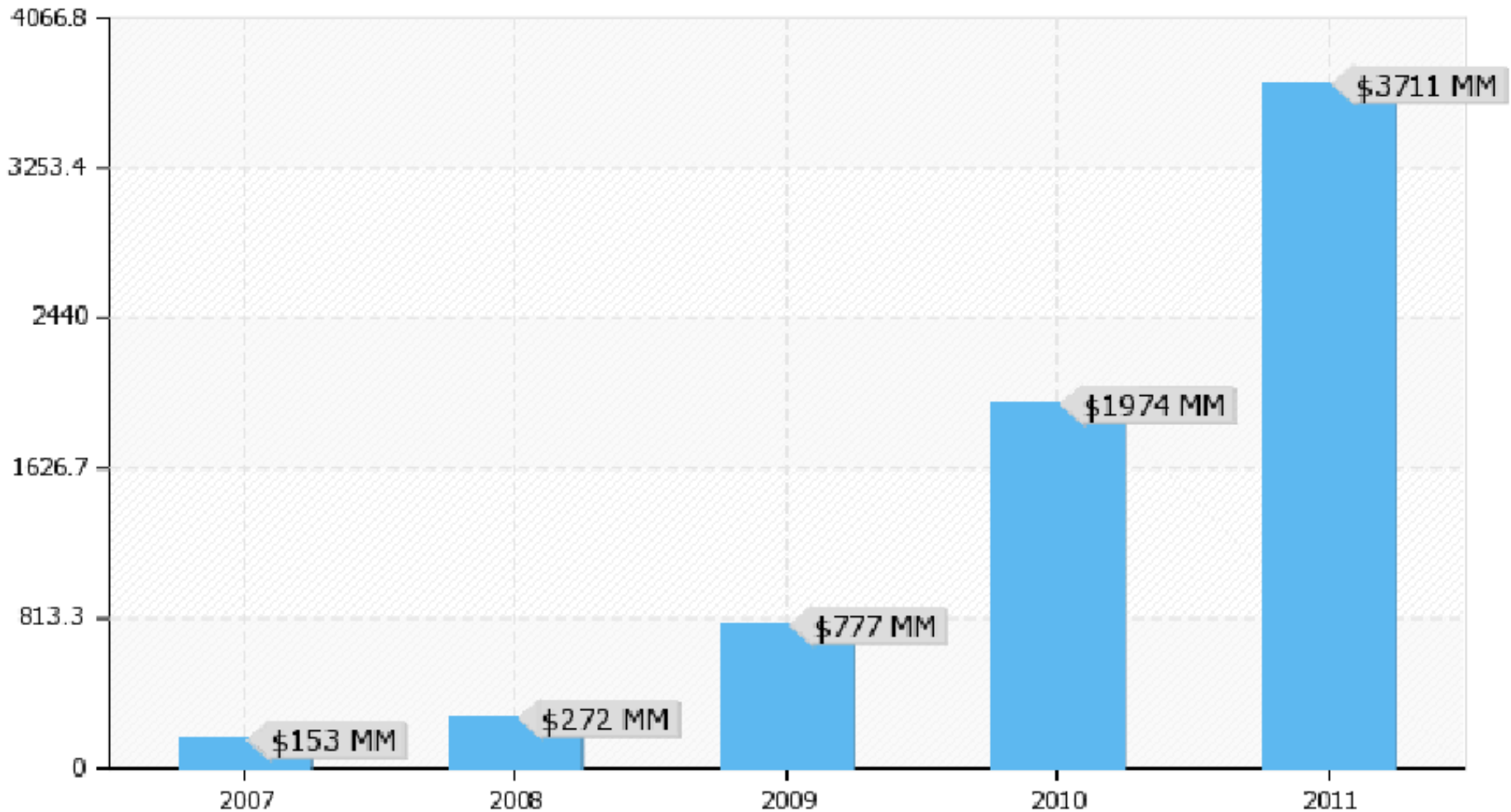
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Revenues (\$ MM)

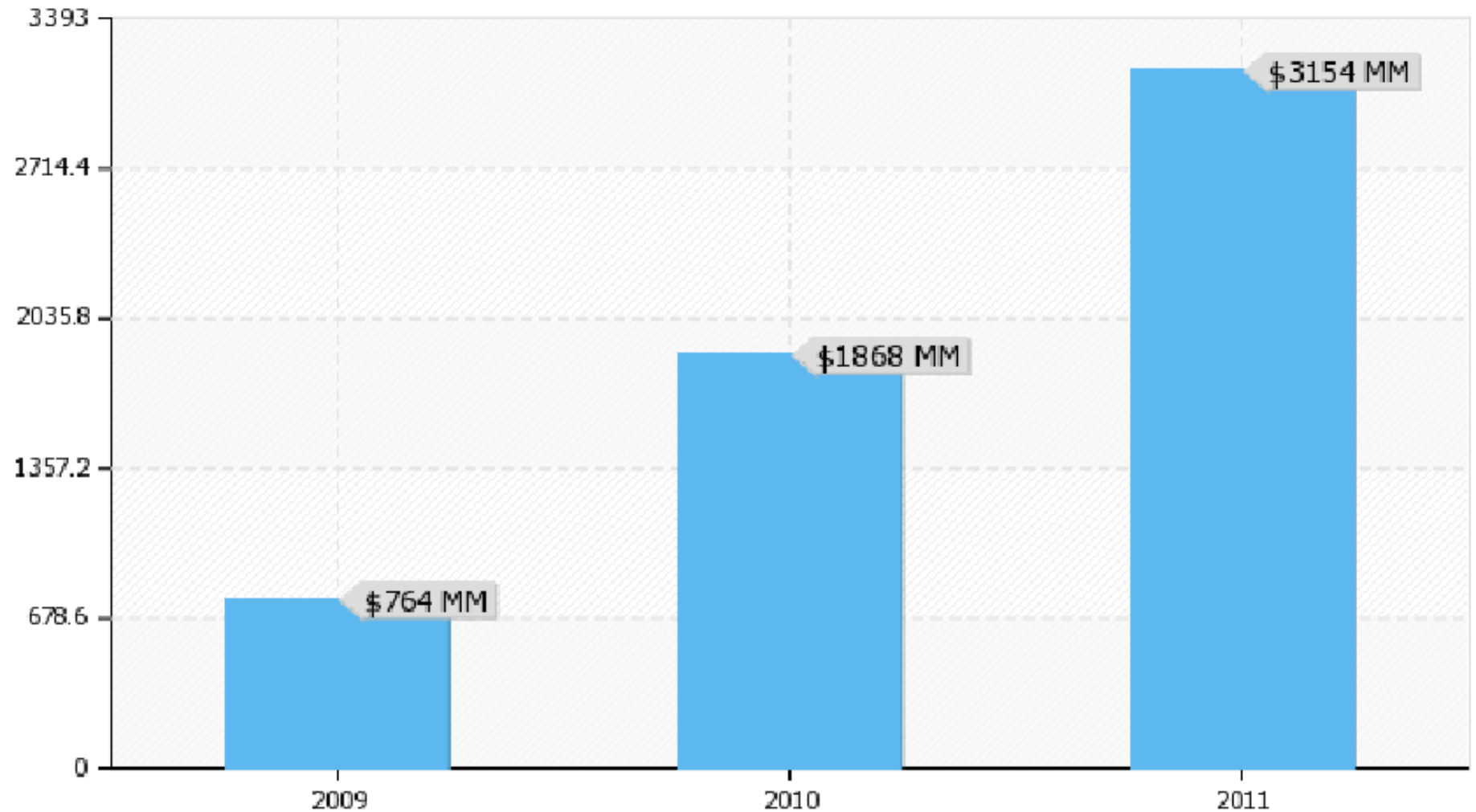
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Facebook, Inc. Advertising Revenues (\$ MM)

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Some observations & remarks:

- The user base of Facebook is growing --> necessary for increasing (advertising) **revenues**
- Growing presumption on Facebook --> this will **increase the value of the prosumer commodity**, the advertisement prices and the profits of Facebook (Fuchs, 2009)
- *“Our mission: to make the world more open & connected”*: social relationships are **commodified**
- The **ideological character of social networking**: its networking character advances capitalist individualization & accumulation
- *“The commodification of audiences allows the further extension and sophistication of social networking platforms, which in turn attracts more users and so further advances individualization. There is a **dialectic of commodification and individualization.**”* (Fuchs, 2009, 84)

Reclaiming the commons

- Based on ‘Political Economies as Moral Economies ‘ (Murdock, 2011): 3 **contested moral economies**, i.e. Capital vs. State vs. Civil society
- If social networking is about social sharing & connecting --> **prosumption** on SNS can be seen as **common goods**
- **Characteristics** of public/common goods (Murdock, 2011, 21):
 - No commodities (private possessions) but available for shared use
 - No exclusive access
 - Advancing the common good (by promoting a commitment to equality of entitlement and encouraging a sense of belonging to a shared an imaginative world confronting common problems)
- Can and should we **reclaim the commons**? Can the Diaspora model help?
- *“An **alternative** – of capitalist SNS - are non-commercial, non-profit open-source platforms that focus on social and political networking. Social networking poses possibilities for group formation and co-operation, but the dominant forms are shaped by individualized communication and corporate interests.”* (Fuchs, 2009, 83)



facebook®

vs.

diaspora*

Capitalist SNS

1 organization

Closed

Commodification

Data-mining & advertising

Targeted advertising

Exploitation of UGC

3 target groups

value creation:

Users, advertisers, &

Developers

vs.

Alternative (communist?) SNS

vs.

Multiple providers

vs.

Open

vs.

Co-operation

vs.

No data-mining & advertising

vs.

Privacy by design

vs.

Retention of full ownership

vs.

2 target groups for value for

value creation:

Users & developers

Diaspora as a communist SNS?

- The **dotCommunist Manifesto** (Moglen, 2003):
 - *Abolition of all forms of private property in ideas*
 - Withdrawal of all exclusive licenses, privileges and rights to use of electromagnetic spectrum. Nullification of all conveyances of permanent title to electromagnetic frequencies
 - Development of electromagnetic spectrum infrastructure that implements every person's equal right to communicate
 - *Common social development* of computer programs and all other forms of software, including genetic information, as *public goods*
 - Full respect for *freedom of speech*, including all forms of technical speech
 - *Protection for the integrity of creative works*
 - *Free and equal access to all publicly-produced information* and all educational material used in all branches of the public education system

Why do we need alternative (communist?) social media?

- **Social sharing & connecting** is part of the commons of society
- Therefore, **alternative (communist) social media** are characterized by:
 - Open access and common ownership for/by all
 - Co-operation instead of commodification
 - No data-mining & advertising
 - Privacy by design & rethinking of the privacy concept
 - Retainment of full ownership of prosumption
 - ...
- **Question:** how to make/help in promoting alternative social media?

Contact

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