

ROUNDTABLE: P2P Economies and Forms of Production

4th International Inclusiva-net Meeting: P2P Networks and Processes

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0. Format and participants

On Wednesday 8 July a roundtable discussion was held on [P2P Economies and forms of production](#). Participants were [Gonzalo Martín](#), [María Ptqk](#), [Rubén Díaz](#) (from [Zemos98](#)) and Rubén Martínez (from [YProductions](#)). While all four participants understand and apply the P2P concept in their practice, they have opposing (or complementary) theoretical positions. They provided us with their standpoints from which they reflected on and analyzed P2P models as part of the economic and political system. Moreover, they are all to some extent “practitioners” of the P2P production model as applied to the business environment and/or cultural production (including amateur or alternative practices).

To moderate the roundtable, I published an initial provocation that spurred some reflections by the guests prior to the roundtable. During the debate, an initial position statement was made, followed by an open debate among the guests and the audience. Below, I have presented each guest’s reflections by combining their prior texts and the initial presentations at the event and finally a set of my personal conclusions on what was discussed. More than a synthesis, this document aims to document the debate to contribute the elements that would enable the reader to reach his or her conclusions and/or continue the discussion.

1. Initial “provocations” by Juan Freire¹

1) Let’s take a deliberately simplified, black-and-white look at two apparently radically opposed positions on the economic and political meaning of the production forms based on the P2P model:

- P2P as “pure markets”, with no regulation by authorities, understanding markets in the broad sense, where exchanges are not always, or even mainly, monetary.
- P2P as the “new Socialism”, but again, a “Socialism without a State” that does not overcome models based on the market economy (this position was taken recently by Kevin Kelly in an article in Wired², which Lawrence Lessig responded to and refuted³).

2) Let’s forget the “wishful thinking” that paints P2P and digital culture as new Utopias without taking into account the essential prior conditions for this type of

¹Original post: <http://nomada.blogs.com/jfreire/2009/07/4-encuentro-inclusiva-net-en-medialab-prado-economias-y-formas-de-produccion-p2p.html>

²http://www.wired.com/culture/culturereviews/magazine/17-06/nep_newsocialism

³http://www.lessig.org/blog/2009/05/et_tu_kk_aka_no_kevin_this_is.html
http://www.lessig.org/blog/2009/05/on_socialism_round_ii.html

transformation. Therefore, let's ask what is needed to make these Utopias possible. Is P2P economically sustainable? What economic strategies are feasible? What structures and powers come into question and probably end up declared as "enemies" which aim to fight for their own survival?

3) Is there a sole definition of P2P? And/or P2P fundamentalism? Is it acceptable (necessary) to carry out adaptations to the basic or essential P2P concept to make it feasible and operative? One example of these adaptations is Medialab in its role as an organizing intermediary and process facilitator or the use of open APIs as "substitutes" for free software.

4) The danger of corporate appropriation of P2P production (P2P as a new form of biopolitics). Example: crowdsourcing.

2. Contribution by María Ptqk⁴

... Unless the wind makes me change, the idea I'll bring to the table is that making P2P out to be a productive model is a trick to sell us a 2.0 version of the same old story. **We can call it Digital Neo-liberalism.** If we are talking about creating models, I would say that it's one thing to talk about P2P as a file sharing system and a social symbol of the fight against intellectual property regimes (long live The Pirate Bay). However, it's quite different to take it as a model for productive organization applicable outside eMule, in the real economy and on a global scale.

P2P as pure markets / P2P as a new Socialism

I'll take the bait set out in Juan's first provocation (in black and white extremes, as he said) about the existence of two antagonistic models of P2P. On the one hand, seeing P2P as "pure markets", with no contribution or regulation by the authorities of any kind, as markets in the broad sense, where exchanges are not always or even mainly monetary. On the other hand, P2P as a "new Socialism" but again, a "Socialism with no State", which overcomes models based on the market economy (this position was recently advocated by [Kevin Kelly in an article in Wired](#), which [Lawrence Lessig has responded to and refuted](#)).

Even if I try to see things in black and white extremes, I cannot see the difference between the two models. Or rather, if I do, what I see are two ways of saying the same thing. Beyond the terminology (pure market vs. new Socialism), the two theories head in the same direction given that they involve exchanges with no external contribution, carried out by individual entities (whether persons or not, they are individualized, that is, defined by their autonomy and not by their interdependence) and they are considered equals (peer-to-peer: between equals).

If the P2P productive model is just that (non-contribution, individualism and the fiction of equality), Margaret Thatcher and Ronald Reagan already invented it plenty of years ago. It is the neo-liberal model that magazines like Wired and the groups it influences try to apply to the digital environment. Lessig says so in his critique of Kelly's text. That is not Socialism at all, regardless of whether it is new or old. It is

⁴Previously expressed in her post: <http://ptqkblogzine.blogspot.com/2009/07/el-p2p-y-la-nueva-nueva-economia.html>

simply Web 2.0, or civil society, or what [Adam Smith](#) called “[the invisible hand of the market](#)”. Or, as they say now, the new New Economy.

The New Socialism of Silicon Valley

In “[The New Socialism: Global Collectivist Society Is Coming Online](#)” (yeah), Kelly defines this new organizational form as derived from “technologies that base their power on social interactions” and defines it thus: “When masses of persons who own the means of production work toward a common goal and share their products with each other, when they contribute work without a salary and enjoy its fruits freely (free of charge), it is not unreasonable to call that Socialism”.

It has the following features:

In the new socialism there is no class struggle. As stated, inequality is eliminated from the reasoning at one fell swoop and that’s that. *Eeeeverybody* has Internet access and an iPod, *eeeeverybody* uploads and downloads files on the Web, *eeeeverybody* speaks English and we all write with Latin characters.

The new socialism operates at the level of culture and economics but not at the level of governance. As if culture and the economy were not governed. Once again, the old myth of the invisible hand. The fact that it is invisible does not mean there is no hand.

The new socialism is propagated through an Internet without borders. Kelly forgets about the censorship of the Internet in many countries, and the economic, cultural barriers to access to knowledge and language barriers (the most used languages on the Web include Persian, Chinese and Arabic).

The new socialism is based on decentralization. Indeed, there is Google to show how decentralized the Internet is. Or MySpace, or Microsoft or Facebook. Users are decentralized but, as in all large industries, the service providers tend to be concentrated.

The new socialism is based on the gift economy. Kelly fails to mention who makes a profit out of users’ free work. Or should we nationalize Google? Or MySpace? Or Facebook?

In the new socialism users hold the means of production. No. They hold a part of them (knowledge and time) but they do not possess the infrastructure, the most popular applications on the social Web, or the profits (the social benefits are accrued by users but not the economic profit—unless we accept the ultra-liberal axiom which states that if only a handful of people get very rich, then things are going well in Spain).

In the new socialism there are no hierarchies. Right. It makes no difference whether you are Mark Zuckerberg or an Indian entering codes in Bangalore. We’re all equals. Peer-to-peer.

Organized networks

When I think of a productive model, I think of an economic model and a social model and this can only be a political model. And what is political by definition must involve the collective dimension – because the sum of the parts is not equal to the parts—and especially, the difference, that is, the management of otherness, of those who are not equal to me—for unfortunately we do not live in a world of peer-to-peer sharing. Can one imagine a political model based on the digital environment that ignores the reality of the information economy? Personally I'm much more enthusiastic about the [Organized Networks Theory of Ned Rossiter](#):

The celebration of network cultures as open, decentralized, and horizontal all too easily forgets the political dimensions of labour and life in informational times. Organized Networks sets out to destroy these myths by tracking the antagonisms that lurk within Internet governance debates, the exploitation of labour in the creative industries, and the aesthetics of global finance capital. (...) Why have radical social-technical networks so often collapsed after the party? What are the key resources common to critical network cultures? And how might these create conditions for the invention of new platforms of organization and sustainability?

In reality what I find inspiring about Kelly's text is a meta-reading of, as Rossiter says, "after the party". The discourse on innovation, the need to find answers, to invent new productive forms... Whatever, as long as uncertainty is reduced and we can get rid of this awful fear in our guts. *New Socialism? 2P2 Economy? Open Source Society? Whatever. But keep my business running.*

Some additional notes on the presentation at the roundtable

As a summary of the text and her contribution, María Ptqk offered clear criticism of the concept of a "new Socialism" as used by Kevin Kelly (which would in reality be equivalent to a pure market): the supposed class struggle does not exist (inequality continues); the new model operates in the economy of culture but not in the economy of governance; barriers still exist (languages, access, censorship...); the technological industry is nowhere near decentralized in its structure; in the supposed gift economy, the profits of work are not given freely; users do not really possess the means of production, especially not the infrastructure...

She says that Kelly's proposal would actually be better as an example of the "neo-liberal model" and in fact, the magazine where the article appeared, Wired, can be considered "representative" of the large technological industry.

The challenge of P2P does not lie in technology but rather in the transformation of social organization. P2P is based on the idea of peers, but exchanges never take place between true equals. A true P2P model should include the collective (the whole is greater than the sum of its parts) and an acknowledgement of the inequality inherent to society, and therefore, develop specific strategies to combat this asymmetry.

3. Contribution by Rubén Díaz⁵

File-sharing via P2P tools involves an "out of place" ("[fuera de lugar](#)") practice. From the paradigm of orthodox economic policy, natural law and liberal thought, it is true

⁵Expressed previously in his post: <http://www.zemos98.org/spip.php?article1336>

that common spaces are considered “public” and therefore, they “can become political”. At the same time, they pull away from economic interests due to a perspective which separates the control of the State and Market in a dichotomous fashion. However, many of the goods that circulate through networks are considered merchandise with an owner. The intellectual property of those assets functions according to mercantile property logic. And private property falls within the scope of the economy, a sphere that is differentiated from what is public, a space that belongs to individuals and to free trade. This head-on clash between the logic of exchanging what is private within a space of the **sharing economy** upsets established common sense (constructed as giving meaning to power as opposed to a supposed minority that identifies and labels itself as a homogenous group called “the Internet sector” or “P2P culture”).

Federico Guzmán cites French economist [Serge Latouche](#) in "[Código fuente: la remezcla](#)" (Source Code: the Remix):

The act of donating exists even in the heart of global society and runs throughout market society [...]. It is a historical phenomenon of creative, innovative social reaction in the face of the failure of development [...]. In fact, an absolute market does not exist, given that the fundamentals of social exchange cannot be based on the law of supply and demand.

This paradox, which has been defended in economic anthropology ([Clastres](#) or [Sahlins](#)), is even more visible today with the use of new digital tools. This new [twist](#) has provoked renewed interest in the discussion of the malleability of the “natural order of things” in our political-economic model. This involves nothing less than recovering some very old ideas (gift and counter-gift economies were studied by the likes of Mauss or Godelier, Kropotkin’s [mutual support](#) as a complement to the *struggle for life* that serves as the basis for Social Darwinism, [panarchy](#) or the philosophy used as a starting point for Internet pioneers, as reflected in the liberties of [free software](#) or in texts like the [declaration of independence of cyberspace](#), where they imagined a space for cooperation and creativity more highly valued for its use than its monetary worth: “Your legal concepts about property, expression, identity, movement and context do not apply to us”).

Reflecting on new political economy programmes requires at least **twice as much effort** from users (citizens).

- (1) Firstly, in understanding that the economic paradigm currently at work is only a convention, a social contract that can be reinterpreted. That there is still time to recover the spheres of reciprocity and redistribution given the abuse of mercantile exchange that is omnipresent (sometimes, absurdly, even within the domestic sphere) and that it does not go against nature. That, as [Chomsky](#) stated in his warning in 1998, we have “the chance to possess these technological instruments instead of letting large corporations have them. That requires coordination among groups opposed to that monopolization, using technology creatively, with intelligence and initiative to foster education, for example”.
- (2) Once we get over the shock, if we manage to recover from the trauma, we are faced with a second task that may sound even wilder to some: daring to clarify the inequalities between the welfare society and the commons society. Finding the differences between a sensation of scarcity and abundance and satisfaction.

The “media for form mass education” (as [Agustín García Calvo](#) likes to say) identify our society with a set of values that never consider making even a timid defence of work sharing and reducing time spent on production in favour of free time (they are not even familiar with the idea of basic income). The media, who place the interests of the companies controlling them ahead of what is in everyone’s interest, do not reflect on the possibilities offered by examples like P2P networks to reduce intermediaries, eliminate bureaucratic steps, or reduce infrastructure expenses. The **self-organization** and **self-management** this technology makes possible find no place there because, as stated by [Castells](#), if your goal is to maintain power, you leave no room for participation, local politics or collective design. Building a new economic and political paradigm would imply a [a new paradigm for education and communication](#).

To reduce the fatigue that will result from those efforts, we will need more mediators (and fewer media, thinking of [Martín Barbero](#)), **"hubs" and human search engines** (if we leave the interpretation to Google "we won't be lucky"), facilitators who (to use the expression by Emmanuel Rodríguez in ["El gobierno imposible. Trabajo y fronteras en las metrópolis de la abundancia"](#) [The Impossible Government: Work and Frontiers in the Metropolises of Abundance] know how to translate for a “moral majority” the idea of “a new social contract”. It must be one that will increase our awareness as users and citizens of the need to participate in and reclaim the commons, demanding an equitable redistribution of wealth (both material and immaterial), given the transnational private monopolies and other imperialist interests we see the State yielding to in times of crisis in a clear, flagrant way.

As our aim is to reach the goal without needing a defibrillator, my interest in P2P networks does not lie in attaining what is truly “desirable” (that "wishful thinking" [Juan Freire suggest we should forget](#) to stimulate debate) or in the "primitivism" of going back to the "[kula](#)" practiced by the Argonauts of the Western Pacific on the Trobriand Islands. There is a debate that is of greater urgency than the one about P2P technologies and tools: the one about possible new models of **production, distribution, circulation and consumption arising from the social attitude that is making unstoppable gains as a result of peer-to-peer sharing**.

Some additional notes about the presentation at the roundtable

Rubén Díaz’s contribution, seen from an political economy standpoint, suggests a separation between what is public (equivalent to the commons) and the market (the economy). P2P permits circulation within a public space of goods, although some of them are still subject to ownership (that is, they are private). These public spaces are defined as “out of place” spaces that give rise to “out of place” practices.

He offers two ideas to strengthen the P2P economy: an “unnatural” social contract (which therefore can be modified) and the juxtaposition between the welfare society and the commons society. In the latter, the market yields to different exchange spheres such as reciprocity and redistribution.

3. Contribution by Gonzalo Martín

He presents his position by describing a professional conflict, given that his clients make a living due to copyright law, and he suggests an approach based on political economy and work organization.

In his opinion, many 19th century words are used to discuss 21st century matters. Language can block thought by placing us in a trench. His point of view is based on understanding that networks represent a liberal or libertarian tendency due to their voluntary membership and the abolition of intellectual property (which eliminates a monopoly on ideas).

The network phenomenon implies a transformation in work organization, a good example being new forms of organization of events. New pros and cons arise: rapid growth as distributed profits are generated but the also the difficulty in finding a sustainable model (the critical mass needed is difficult to attain).

4. Contribution by Rubén Martínez

He continues along the lines of the previous contribution, suggesting that language is important in enabling the articulation of a discourse. The language of the debate about P2P reuses technological terms out of necessity, which leads to the danger of falling into techno-centrism by exaggerating the importance of technology.

In the cognitive capitalism the essential resources are knowledge, which is intangible. Cooperation (social relationships) generates value but these new resources are becoming scarce (as happened in the past when natural resources were exhausted). As a result, what used to be a response to one form of capitalism ended up generating value for the capitalist system.

In his opinion, the mere use of P2P technology does not modify the social and economic model. Technology introduces no kind of ideology given that collaboration and participation are processes that can be of interest to "both sides". For example, in cities, social participation has been used for the creation of a "city brand" while in companies, participation often leads to the model of *crowdsourcing*.

He refers to examples of transformation based on P2P social models:

- The Platoniq group and their project The Bank of Common Knowledge (BCC). Based on P2P models, it reproduces participants' social roles (someone teaches and someone learns). Rubén Martínez wonders how to generate a different device.
- Research by Ronaldo Lemos⁶ on Brazilian *tecnobrega*, where a device is generated that alters the cultural industry. Copyright is completely ignored.

Based on these cases, he wonders whether models like BCC or Medialab Prado, which reproduce conventional roles, are always "bad" (that is, they reproduce the conventional model in spite of their commitment to P2P).

Lastly, he reaffirms his basic agreement with the other participants in their criticism of Kevin Kelly's ideas. However, he establishes the existence of slight differences that lead us to constitute "two sides" (perhaps based on the perversion of the debate and the use of old concepts) and end up turning into qualitative differences: pessimists and their "out of place" practices versus optimists and their incremental strategies.

⁶see: http://elastico.net/archives/2009/03/los_procomunes.html and <http://www.ypsite.net/blog/?p=1199>

5. Reflections on the debate and some final ideas

The debate clearly reflected both positions (the two “sides” defined by Rubén Martínez), although a majority of the guests and audience had critical “pessimistic” positions, in keeping with the typology of the publics interested in the programme developed by Medialab Prado. Although everything that was discussed was interesting, perhaps this clear positioning ends up conditioning and oversimplifying positions, since the conversation was focused on differences which prevented the exploration of points in common or of the diversity that may exist within each of the two positions. My final sensation of the results of that debate is a certain deception or pessimism about our inability (and especially mine as the moderator) to generate a constructive conflict resulting in opening up new opportunities for collaboration, which could go beyond ideological differences. This problem not only applies to roundtables, it reflects also the society we live in where we focus too much on pointing out differences, forgetting the possibilities of finding a way of “meeting” on common ground (paradoxically, we were at an “international meeting”).

Perhaps meeting opportunities could be explored if we reflect on the confrontation, which arose at several points in the debate, between pessimists and optimists. In my opinion, optimism and pessimism are always relative positions that say little of the future but do say a lot about our attitude toward the future. Perhaps that is why, indirectly, they can end up predicting the future if we are not able to overcome the paralyses they generate.

Optimists tend to forget to maintain a critical attitude and therefore do not look for needed changes. Pessimists fall into melancholy and do not really fight for the changes they paradoxically believe are needed. Both end up defending the status quo. What is of most interest is an attitude that is simultaneously optimistic and pessimistic or changing one’s attitude depending on the context. Each person should at least try to behave guided by the attitude opposite to their character.

As a conclusion to this report, I would set forth two ideas that I personally think arose from the debate and will define the nature of new forms of production and organization that would characterize the P2P economy:

1.

P2P networks are practice communities (which have existed historically, such as in the case of artisans and scientists), not mere technological processes. Social organization is based on an always temporary, unstable social contract. **The truly disruptive nature of P2P arises when it provokes changes in models of the production and organization of work and relations of control and power.**

2.

At the risk of oversimplifying, **two models of knowledge production in the digital economy** can be defined:

- a) **“P2P networks”** in which, based on information, **cognitive processes** are generated that generate knowledge which is disruptive but possibly not very profitable in economic terms (or, alternatively, networks offer little capacity for making profit from the knowledge generated).

- b) **“corporations” that provide digital services** that use huge **databases** to generate knowledge via *data mining*. This knowledge is banal to a large extent but is hugely profitable given that it enables **incremental processes** and feeds scale economies.