

Why We Need Alternative Social Media Before It Is Too Late.

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Social media reflects the realities, complexities and problems of society. Prism and the continuous criticisms of Facebook and Google show that we need alternatives. There are only two alternative models under the top-100 most accessed websites in the world: the BBC's news site (a public service medium) and Wikipedia (a civil society-encyclopaedia). We have a good understanding of how public service broadcasting and alternative community media look like in the offline world. There is however hardly any political and financial support for alternative online and social media projects that could help us find new ways for overcoming existing problems.



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On February 4th, 2013, Facebook celebrated its ten-year anniversary. In these ten years, terms such as "social media" and "web 2.0" have become part of everyday vocabulary and platforms such as Facebook, Google, Twitter, Weibo, Wikipedia, LinkedIn, Blogspot, Wordpress, VK, Pinterest, Tumblr and Instagram now shape our social roles, behaviour and communication in professional, public and private life. In 2005, Tim O'Reilly introduced the idea of web 2.0. Business gurus and consultants were the first who promised that social media and web 2.0 would mean economic growth, more employment, more democracy and a new public sphere. Politicians and cultural analysts soon joined this chorus.

The reality of social media brought however not just opportunities, but also risks associated with power structures that shape this online form of communication. Firstly, there are concerns about social media's use of targeted

advertising. Google, Facebook, Twitter and other commercial social media use targeted and behavioural advertising as their business model. A 2010 study found that 52% of UK consumers wished to opt out of such advertising¹. A Eurobarometer² study showed in 2011 that 54% of European Internet users feel uncomfortable about this kind of advertising. These developments have raised doubts about the transparency of data processing and the ambiguousness of user "consent" in targeted advertising on social media.

Secondly, there are concerns that the crowdsourcing of work on the Internet and social media deprives people of job opportunities and therefore contributes to unemployment and sustains precarious conditions of knowledge work. These concerns are especially important in light of the fact that the unemployment rate tends to be high in many countries. The Huffington Post was founded in 2005 as a political blog

that developed into the most successful Internet newspaper and news blog based on voluntary contributions by bloggers. In February 2011, AOL bought the Huffington Post for US\$315 million. The blog became an advertising-financed platform. Blogger Jonathan Tasini together with other former Huffington Post bloggers filed a US\$105-million class action suit on the issue of unfair enrichment against AOL and the Huffington Post. The National Union for Writers and the Newspaper Guild-CWA targeted the Huffington Post with a strike and virtual picket line organised the Pay the Writer! Campaign. In 2014, the "Pay Me, Facebook" campaign that demands wages for Facebook usage was started.

Thirdly, concerns have been voiced in over large digital media companies' - such as Google, Facebook and Amazon - alleged tax avoidance. In the UK, the House of Commons' Public Accounts Committee has

inquired this issue. Its Chair MP Margaret Hodge commented that Google, Apple and Facebook engage in a “deliberate manipulation of accounts of economic activity to deprive the British taxpayer of a rightful tax contribution, according to the profits they make in the UK”³. The debate has shown that legal loopholes allow corporations that operate globally on the Internet to declare taxes on profits made with operations in one country in tax havens such as the Cayman Islands or Luxembourg, where they have headquarters or subsidiaries, but not the majority of their employees or revenues.

Fourthly, Edward Snowden’s revelations about the existence of a global Internet and social media surveillance system (Prism) that is organised by secret services such as the NSA together with communications companies (AOL, Apple, Facebook, Google, Microsoft, Paltalk, Skype, Yahoo!) and private security companies (such as Booz Allen Hamilton)⁴ have fuelled concerns about social media privacy, freedom, data protection and surveillance and the role of state institutions and companies in the global surveillance-industrial complex.

Fifthly, there are concerns about psychological harm and anonymous threats in the context of social media. 14-year old teenager Hannah Smith, who had been bullied on the social media platform ask.fm, committed suicide in 2013⁵. 15-year old Tallulah Wilson documented how she harmed herself on Tumblr and committed suicide in 2012⁶. A 23- and a 25-year old were sentenced in 2014 for issuing death and rape threats on Twitter to Caroline Criado-Perez, who campaigned for Jane Austen becoming the face of the £10 note, and to an MP who supported her⁷. Following such events, the UK’s House of Commons Culture, Media and Sport Select Committee launched an Online Safety inquiry session, in which representatives from Facebook and Twitters were witnesses⁸. There are concerns about possible psychological harms in the context of cyberbullying as well as self-harm, pro-anorexia and suicide blogs.

These problem areas are all very different, but have two things in common: First, they show that social media is used as tool so that particular groups or individuals exert power over others: advertisers over users, crowdsourced platforms over employees, global communications companies over nation states, secret services over citizens, anonymous bullies over their victims. Second, they all show that social media’s

promises did not hold in reality and that we need a realistic assessment of this communication form. They are indications that we need new policy solutions in the context of social media that go beyond failed measures, namely corporate self-regulation; law-and-order, control and mass surveillance as imagined fixes to complex societal problems such as crime and terrorism; as well as neoliberal de-regulation, privatisation, austerity measures, and tax cuts for companies and the rich.

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It is of course possible to try to continue business as usual in the social media world without any social and policy changes. Some readers may remember web platforms like boo.com, freeinternet.com, etoys.com, inktomi.com, pets.com, startups.com or theglobe.com, whose stock market values collapsed in the 2000 dot-com bubble. The rise of the concepts of social media and web 2.0 was partly a reaction to this crisis in order to try to restore investors’ confidence. The IPOs of Google in 2004, Facebook in 2012 and Twitter in 2013 are indicative of the important role that venture capital and financialisation play in the social media economy. After the housing crisis unfolded in 2008, there was first a contraction of advertising expenditure that was then followed by a transfer from ad investments from the classical print sector to the online and social media sector. For many companies, social media due to its use of targeted advertising looks like a more secure investment realm than newspapers and print. The economic rise of social media is connected to the crisis of the print world.

The question is however if the largely advertising-based model of social media can last or if we are not experiencing the growth of a new financial bubble - a social media bubble - that at some point of time could explode. Google’s stock price increased from around US\$300 in 2009 to more than US\$1,100 in 2014, Facebook’s stock from around US\$40 in 2012 to more than US\$60 in 2014. This development forms however just one side of the social media economy: After Twitter announced that its annual losses increased from US\$80 million in 2012 to US\$645 million in 2013, its stock value fell on February 6, 2014, over night from US\$65 to US\$50. Sina Weibo’s stock value halved from a peak of around US\$135 in 2011 to US\$65 in February 2014.

The advertising and information industries are highly volatile, high risk and uncertain economies: it is impossible to know, predict and calculate in advance if certain cultural goods or ads and the goods presented in them can be successfully sold. The social media economy is based on investors’ belief that targeted advertising works. But the reality is that the average click-through-rate is just 0.1%⁹, which means that users click just on 1 out of 1000 online ads. And even then we do not know if such single clicks make them buy goods or not. In addition, more and more users find any form of online advertising annoying and use ad-block software and do-not-track cookies. If the belief that targeted ads work suddenly dwindles when for example one larger platform is in decline, the social media bubble may burst sooner or later. Bursting financial bubbles always have devastating social, political and economic effects. There are many reasons not to wait until the social media bubble bursts, but to start establishing and supporting alternatives to corporate social media. ●

¹ <http://www.netimperative.com/news/2010/april/half-of-brits-2018would-opt-out-of-behavioural>

² http://ec.europa.eu/public_opinion/archives/ebs/ebs_359_en.pdf

³ <http://www.theguardian.com/business/2013/oct/08/facebook-uk-corporation-tax-zero-income>

⁴ See the Guardian’s reports, e.g.: <http://www.theguardian.com/world/2013/jun/06/us-tech-giants-nsa-data>

⁵ <http://www.theguardian.com/society/2013/aug/05/cyberbullying-ask-fm-girl-suicide-hannah-smith>

<http://www.theguardian.com/society/2013/aug/07/hannah-smith-suicide-cyberbullying-ask-fm-twitter>

⁶ <http://www.theguardian.com/technology/2014/jan/27/social-networks-to-face-government-grilling-over-suicide-promotion>

⁷ <http://www.theguardian.com/uk-news/2014/jan/24/two-jailed-twitter-abuse-feminist-campaigner>

⁸ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/culture-media-and-sport-committee/inquiries/parliament-2010/online-safety1/>

⁹ http://www.comscore.com/Insights/Presentations_and_Whitepapers/2012/The_Power_of_Like_2_How_Social_Marketing_Works