

## **Social Media and Capitalism**

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The task of this paper is to give a critical political economy analysis of social media. The terms “social media” and “web 2.0” have come to be used for signifying world wide web platforms that support community-building and maintenance, the production, circulation and consumption of user-generated content and collaborative information production. On the one hand, these terms overstress novelty and ignore that there are different forms of sociality (such as cognition, communication and co-operation) (see Fuchs 2010c; Fuchs 2011), on the other hand it is a reality that such platforms have not become dominant, but more important on the world wide web (see the statistics on alexa.com). Social networking sites (e.g. Facebook, LinkedIn), video-, music- and image-sharing sites (e.g. YouTube, PirateBay, Spotify), wikis (e.g. Wikipedia), blogs (e.g. Blogger, Wordpress) and microblogs (e.g. Twitter) are popular, but do not account for more than 25% of the 100 most popular websites (alexa.com, top sites in Sweden, accessed on May 25, 2011) in the world’s most advanced information society.<sup>1</sup>

### **The Limits of the Participatory Social Media Hypothesis**

In his analysis of the public sphere, Jürgen Habermas (1991) both stressed the enabling and constraining/limiting aspects. On the one hand he describes how modern public sphere’s enable the formation of public opinion and political debate. On the other hand he points out – by elegant dialectical reasoning – that the bourgeois public sphere creates its own limits and thereby its own immanent critique, by: a) limiting the freedom of speech and public opinion in those cases when persons who do not have the same formal education and material resources for participating in the public spheres are facing unequal conditions of participation and exclusion (Habermas 1991:227); b) limiting the freedom of association and assembly in those cases, where big economic <26> and political organizations “enjoy an oligopoly of the publicistically effective and politically relevant formation of assemblies and associations” (Habermas 1991:228).

Studies of “web 2.0” and “social media” are dominated by techno-deterministic approaches that assume that the rise of these technologies results in a more democratic society. This becomes especially clear when representatives of this approach speak of “participatory social media”. For example, Jenkins argues that increasingly “the Web has become a site of consumer participation” (Jenkins 2008:137), Shirky (2008:107) says that on web 2.0 there is a “linking of symmetrical participation and amateur production”, Tapscott and Williams (2006:15) argue that “the new web” has resulted in “a new economic democracy“, Benkler (2006:15) states that due to commons-based peer production “culture is becoming more democratic: self-reflective and participatory“, Bruns (2008:17) says that Internet produsage allows “participation in networked culture” (17), Deuze (2007:95) concludes that “new media technologies like the Internet have made visible [...] the participatory engagement of people with their media”. To be fair, one has to say that Deuze (2008) has also written contributions, in which he stresses the “corporate appropriation of participatory culture” (contribution title).

What all of these contributions miss is a theoretically grounded understanding of

participation. Claims about implications for democracy are used, but it is missed that in democracy theory the term “participation” is mainly used and most prominently featured in theories of democracy (Held 2006). The earliest use of the term “participatory democracy” that I could trace in the literature is an article by Staughton Lynd (1965) that describes the grassroots organization of the student movement. Two central features of participatory democracy theory (for a more detailed discussion and its implications for the analysis of social media, see Fuchs 2011:ch. 7) are: a) the broad understanding of democracy as encompassing areas beyond voting such as the economy, culture, and the household, and b) the questioning of the compatibility of participatory democracy and capitalism. A participatory economy requires a “change in the terms of access to capital in the direction of more nearly equal access” (Macpherson 1973:71) and “a change to more nearly equal access to the means of labour” (Macpherson 1973:73). “Genuine democracy, and genuine liberty, both require the absence of extractive powers” (Macpherson 1973:121). A participatory economy furthermore involves “the democratising of industrial authority structures” (Pateman 1970:43).

Understanding participation as participatory democracy requires us to also analyze the political economy of social media when making judgements about their participatory character. If there are for example asymmetries in terms of visibility and attention, then it is questionable to argue that corporate social media are truly participatory. It is therefore not enough to stress enabling and limiting potentials of the Internet, but one rather needs to analyse the actual <27> distribution of advantages and disadvantages. The negative aspects of social media need to be further analyzed in order to temper the uncritical social media-optimism that is an ideological manifestation of the search for new capital accumulation models that are based on the exploitation of user labour in order to raise the profit rate in the digital media industry. Critics have stressed in this context that web 2.0 optimism is uncritical and an ideology that serves corporate interests (Van Dijck and Nieborg 2009; Fuchs 2011) or that web 2.0 users are more passive users than active creators (Van Dijck 2009). Olsson (2010) questions web 2.0 optimism by stressing that the dominance of the Internet by organized producers cannot be easily overthrown by users of blogs, Twitter and Facebook

| Rank | Video                           | Type          | Ownership         | Views       |
|------|---------------------------------|---------------|-------------------|-------------|
| 1    | Justin Bieber - Baby            | Music         | Universal         | 549 million |
| 2    | Lady Gaga – Bad Romance         | Music         | Universal         | 381 m       |
| 3    | Shakira – Waka Waka             | Music         | Sony              | 345 m       |
| 4    | Eminem – Love the Way You Lie   | Music         | Universal         | 337 m       |
| 5    | Charlie bit my finger – again!  | Entertainment | Private user      | 326 m       |
| 6    | Eminem – Not Afraid             | Music         | Universal         | 238 m       |
| 7    | Miley Cyrus – Party in the USA  | Music         | Walt Disney       | 220 m       |
| 8    | Justin Bieber – Never say never | Music         | Universal         | 211 m       |
| 9    | Jennifer Lopez – On the floor   | Music         | Universal         | 188 m       |
| 10   | Tootin’ bathtub baby cousins    | Entertainment | Demand Media Inc. | 187 m       |

Table 1: The most viewed YouTube videos of all times (source: youtube.com, accessed on May 24, 2011)

The analysis of the ten most viewed videos on YouTube (see table 1) shows that transnational media corporations, the organized exploiters of surplus labour-generating labour, control YouTube’s political attention economy. Entertainment and music is very popular on YouTube and Facebook (see also table 2), politics is a minority interest. An analysis of Facebook groups shows that the most popular ones are in the areas of IT and entertainment, politics is of

minor interest and is dominated by dominant actors such as Obama, whereas alternative political figures like Michael Moore, Noam Chomsky and Karl Marx have a much lower number of fans (table 2).

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| Rank | Facebook Group      | Type                             | Number of Fans    |
|------|---------------------|----------------------------------|-------------------|
| 1    | Texas Hold'em Poker | Game                             | 43 million        |
| 2    | Facebook            | IT                               | 41 m              |
| 3    | Eminem              | Music                            | 36 m              |
| 4    | Lady Gaga           | Music                            | 34 m              |
| 5    | YouTube             | IT                               | 33 m              |
| 6    | Rihanna             | Music                            | 33 m              |
| 7    | Michael Jackson     | Music                            | 33 m              |
| 8    | Family Guy          | Entertainment                    | 30 m              |
| 9    | Linkin Park         | Music                            | 28 m              |
| 10   | Justin Bieber       | Music                            | 28 m              |
| 33   | Barack Obama        | Politics                         | 20 m              |
|      | Michael Moore       | Alternative media producer       | 440 thousand fans |
|      | Noam Chomsky        | Political intellectual           | 283 thousand fans |
|      | Karl Marx           | Political philosopher, communist | 177 thousand fans |

Table 2: The most popular fan groups on Facebook (source: <http://statistics.allfacebook.com>, accessed on May 24, 2011)

Such data show that social media and the Internet are dominated by corporations and that the Internet is predominantly capitalist in character. Taking the idea of participatory democracy serious means in this light to conclude that the Internet and social media are today stratified, non-participatory spaces and that an alternative, non-corporate Internet is needed (see Fuchs 2011:ch. 7-9). For critical empirical analyses of the political economy of social media, also theoretical foundations are needed, which can best be achieved by grounding analyses in the works of the founding figure of critical political economy – Karl Marx.

### **The Cycle of Capital Accumulation**

In the three volumes of *Capital*, Marx analyzes the process of capital accumulation. This process, as described by Marx, is visualized in figure 1.

In the accumulation of capital, capitalists buy labour power and means of production (raw materials, technologies, etc.) in order to produce new commodities that are sold with the expectation to make money profit that is partly reinvested. Marx distinguishes two spheres of capital accumulation: the circulation sphere and the sphere of production. In the circulation sphere, capital transforms its value form: First money M is transformed into commodities (from the standpoint of the capitalist as buyer), the capitalist purchases the commodities labour power L and means of production Mp. M-C is based on the two purchases M-L and M-Mp. This means that due to private property structures workers do not own the means of

production, the products they

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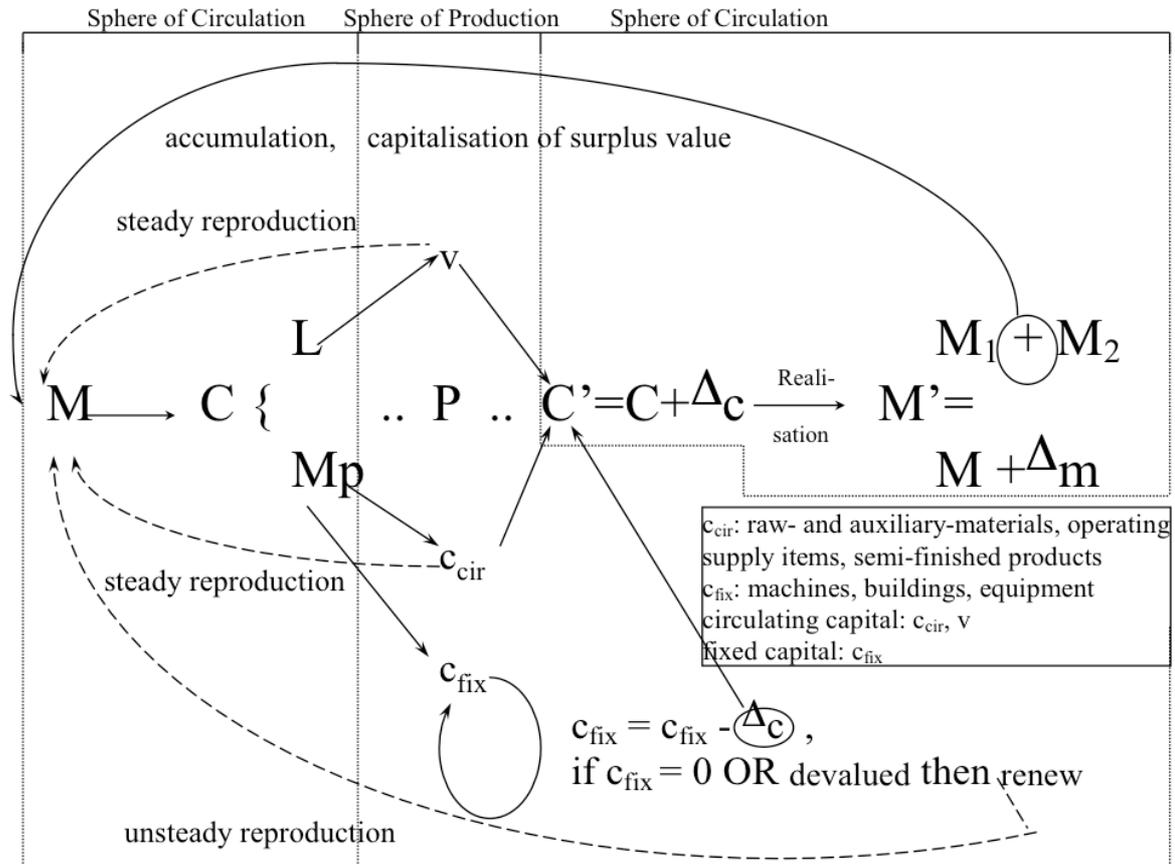


Figure 1: The accumulation/expanded reproduction of capital

produce, and the profit they generate. Capitalists own these resources. In the sphere of production, a new good is produced: the value of labour power and the value of the means of production are added to the product. Value takes on the form of productive capital  $P$ . The value form of labour is variable capital  $v$  (which can be observed as wages), the value form of the means of production constant capital  $c$  (which can be observed as the total price of the means of production/producer goods).

In the sphere of production, capital stops its metamorphosis so that capital circulation comes to a halt. New value  $V'$  of the commodity is produced,  $V'$  contains the value of the necessary constant and variable capital and surplus value  $s$  of the surplus product. Surplus value is generated by unpaid labour. Capitalists do not pay for the production of surplus, therefore the production of surplus value can be considered as a process of exploitation. The value  $V'$  of the new commodity after production is  $V' = c + v + s$ . The commodity then leaves the sphere of production and again enters the circulation sphere, in which capital conducts its next metamorphosis: By being sold on the market it is transformed from the commodity form back into the money form. Surplus value is realized in the form of money value. The initial money capital  $M$  now takes on the form  $M' = M + \Delta m$ , it has been increased by an increment  $\Delta m$ .

<30> Accumulation of capital means that the produced surplus value is (partly) reinvested/capitalized. The end point of one process  $M'$  becomes the starting point of a new

accumulation process. One part of  $M'$ ,  $M_1$ , is reinvested. Accumulation means the aggregation of capital by investment and exploitation in the capital circuit  $M-C..P..C'-M'$ , in which the end product  $M'$  becomes a new starting point  $M$ . The total process makes up the dynamic character of capital. Capital is money that is permanently increasing due to the exploitation of surplus value.

Commodities are sold at prices that are higher than the investment costs so that money profit is generated. For Marx, one decisive quality of capital accumulation is that profit is an emergent property of production that is produced by labour, but owned by the capitalists. Without labour no profit could be made. Workers are forced to enter class relations and to produce profit in order to survive, which enables capital to appropriate surplus. The notion of exploited surplus value is the main concept of Marx's theory, by which he intends to show that capitalism is a class society. "The theory of surplus value is in consequence immediately the theory of exploitation" (Negri 1991:74) and, one can add, the theory of class and as a consequence the political demand for a classless society.

Capital is not money, but money that is increased through accumulation, "money which begets money" (Marx 1867/1976:256). Marx argues that the value of labour power is the average amount of time that is needed for the production of goods that are necessary for survival (necessary labour time), which in capitalism is paid for by workers with their wages. Surplus labour time is labour time that exceeds necessary labour time, remains unpaid, is appropriated for free by capitalists, and transformed into money profit. Surplus value "is in substance the materialization of unpaid labour-time. The secret of the self-valorization of capital resolves itself into the fact that it has at its disposal a definite quantity of the unpaid labour of other people" (Marx 1867/1976:672). The production of surplus value is "the differentia specifica of capitalist production" (Marx 1867/1976:769) and the "driving force and the final result of the capitalist process of production" (Marx 1867/1976:976).

## **A Critique of the Political Economy of Social Media**

Many corporate social media platforms accumulate capital with the help of targeted advertising that is tailored to individual user data and behaviour. Capitalism is based on the imperative to accumulate ever more capital. To achieve this, capitalists either have to prolong the working day (absolute surplus value production) or to increase the productivity of labour (relative surplus value production) (on relative surplus value, see Marx 1867/1976:ch. <31> 12).

Relative surplus value production means that productivity is increased so that more commodities and more surplus value can be produced in the same time period as before:

For example, suppose a cobbler, with a given set of tools, makes one pair of boots in one working day of 12 hours. If he is to make two pairs in the same time, the productivity of his labour must be doubled; and this cannot be done except by an alteration in his tools or in his mode of working, or both. Hence the conditions of production of his labour, i.e. his mode of production, and the labour process itself, must be revolutionized. By an increase in the productivity of labour, we mean an alteration in the labour process of such a kind as to shorten the labour-time socially necessary for the production of a commodity, and to endow a given quantity of labour with the power of producing a greater quantity of use-value. [...] I call that surplus-value which is produced by lengthening of the working day, *absolute surplus-value*. In contrast to this, I call that surplus-value which

arises from the curtailment of the necessary labour-time, and from the corresponding alteration in the respective lengths of the two components of the working day, *relative surplus-value* (Marx 1867/1976:431f).

Sut Jhally (1987:78) argues that “reorganizing the watching audience in terms of demographics” is a form of relative surplus value production. Targeted internet advertising can also be interpreted as a form of relative surplus value production: At one point in time, not only one advertisement is shown to the audience by the advertisers as in non-targeted advertising, but different advertisements are shown to different user groups depending on the monitoring, assessment and comparison of their interests and online behaviour. On traditional forms of television, all watchers see the same advertisements at the same time. In targeted online advertising, advertising companies can present different ads at the same time. The efficiency of advertising is increased, more advertisements that are likely to fit the interests of consumers are shown in the same time period as before. These advertisements are partly produced by the advertising company’s wage labourers and partly by the Internet users, whose user-generated data and transaction data are utilized. The more targeted advertisements there are, the more likely it is that users recognize ads and click on them.

The click-and-buy process by users is the surplus value realization process of the advertising company. Targeted advertising allows Internet companies to present not just one advertisement at one point in time to users, but numerous advertisements; so more advertising time is in total produced and presented as a commodity by internet companies to users. Relative surplus value production means that more surplus value is generated in the same time period as earlier. Targeted online advertising is more productive than non-targeted online advertising because it allows presenting <32> more ads in the same time period. These ads contain more surplus value than the non-targeted ads, i.e., more unpaid labour time of the advertising company’s paid employees and of users, who generate user-generated content and transaction data.

Alvin Toffler (1980) introduced the notion of the prosumer in the early 1980s. It means the “progressive blurring of the line that separates producer from consumer” (Toffler 1980:267). Toffler describes the age of prosumption as the arrival of a new form of economic and political democracy, self-determined work, labour autonomy, local production, and autonomous self-production. But he overlooks that prosumption is used for outsourcing work to users and consumers, who work without payment. Thereby corporations reduce their investment costs and labour costs, jobs are destroyed, and consumers who work for free are extremely exploited. They produce surplus value that is appropriated and turned into profit by corporations without paying wages. Notwithstanding Toffler’s uncritical optimism, his notion of the “prosumer“ describes important changes of media structures and practices and can therefore also be adopted for critical studies.

Ritzer and Jurgenson (2010) argue that web 2.0 facilitates the emergence of “prosumer capitalism“, that the capitalist economy “has always been dominated by prosumption“ (ibid.:14) and that prosumption is an inherent feature of McDonaldization. Prosumption is one of several tendencies in capitalism, but not the only quality of capitalism. Capitalism is multidimensional and has multiple interlinked dimensions; it is at the same time finance capitalism, imperialistic capitalism, informational capitalism, hyperindustrial capitalism (oil), crisis capitalism, etc. Not all of these dimensions are equally important (Fuchs 2011:ch. 5).

Dallas Smythe (1981/2006) suggests that in the case of media advertisement models, the audience is sold as a commodity to advertisers:

Because audience power is produced, sold, purchased and consumed, it commands a price and is a commodity. [...] You audience members contribute your unpaid work time and in exchange you receive the program material and the explicit advertisements (Smythe 1981/2006:233,238).

With the rise of user-generated content, free access social networking platforms, and other free access platforms that yield profit by online advertisement – a development subsumed under categories such as web 2.0, social software, and social networking sites – the web seems to come close to accumulation strategies employed by the capital on traditional mass media like TV or radio. The users who upload photos, and images, write wall posting and comments, send mail to their contacts, accumulate friends or browse other profiles on Facebook, constitute an audience commodity that is sold to advertisers. The difference between the audience commodity on traditional mass media and <33> on the Internet is that, in the latter case, the users are also content producers; there is user-generated content, the users engage in permanent creative activity, communication, community building, and content-production. That the users are more active on the Internet than in the reception of TV or radio content, is due to the decentralized structure of the internet, which allows many-to-many communication. Due to the permanent activity of the recipients and their status as prosumers, we can say that in the case of corporate social media the audience commodity is an Internet prosumer commodity (Fuchs 2010b).

Surveillance on corporate social media is surveillance of prosumers, who dynamically and permanently create and share user-generated content, browse profiles and data, interact with others, join, create, and build communities, and co-create information. The corporate web platform operators and their third party advertising clients continuously monitor and record personal data and online activities; they store, merge, and analyze collected data. This allows them to create detailed user profiles and to know about the personal interests and online behaviors of the users. Social media that are based on targeted advertising sell prosumers as a commodity to advertising clients. Money is exchanged for the access to user data that allows economic surveillance of the users. The exchange value of the social media prosumer commodity is the money value that the operators obtain from their clients; its use value is the multitude of personal data and usage behavior that is dominated by the commodity and exchange value form. The surveillance of the prosumers' permanently produced use values, i.e., personal data and interactions, by corporations allows targeted advertising that aims at luring the prosumers into consumption and at manipulating their desires and needs in the interest of corporations and the commodities they offer.

Social media prosumers are double objects of commodification: they are commodities themselves and through this commodification their consciousness becomes, while online, permanently exposed to commodity logic in the form of advertisements. Most online time is advertising time. On corporate social media, personal data, interests, interactions with others, information behaviour, and also the interactions with other websites are used for targeted advertising. So while you are using Facebook, Twitter, YouTube, etc, it is not just you interacting with others and browsing profiles, all of these activities are framed by advertisements presented to you. These advertisements come about by permanent surveillance of your online activities. Such advertisements do not necessarily represent consumers' real needs and desires because the ads are based on calculated assumptions, whereas needs are



difference is that the users are unpaid and therefore infinitely exploited. Once the Internet prosumer commodity that <35> contains the user-generated content, transaction data, and the right to access virtual advertising space and time is sold to advertising clients, the commodity is transformed into money capital and surplus value is realized into money capital.

For Marx (1867/1976), the profit rate is the relation of profit to investment costs:  $p = s / (c + v) = \text{surplus value} / (\text{constant capital (= fixed costs)} + \text{variable capital (= wages)})$ . If internet users become productive web 2.0 prosumers, then in terms of Marxian class theory this means that they become productive labourers who produce surplus value and are exploited by capital, because for Marx productive labour generates surplus (Fuchs 2010b). Therefore not merely those who are employed by web 2.0 corporations for programming, updating, and maintaining the soft- and hardware, performing marketing activities, etc., are exploited surplus value producers, but also the users and prosumers, who engage in the production of user-generated content. New media corporations do not (or hardly) pay the users for the production of content. One accumulation strategy is to give them free access to services and platforms, let them produce content, and to accumulate a large number of prosumers that are sold as a commodity to third-party advertisers. Not a product is sold to the users, but the users are sold as a commodity to advertisers. The more users a platform has, the higher the advertising rates can be set. The productive labour time that is exploited by capital on the one hand involves the labour time of the paid employees, and on the other hand all of the time that is spent online by the users. For the first type of knowledge labour, new media corporations pay salaries. The second type of knowledge is produced completely for free. There are neither variable nor constant investment costs. The formula for the profit rate needs to be transformed for this accumulation strategy:

$$p = s / (c + v1 + v2)$$

s: surplus value, c : constant capital, v1: wages paid to fixed employees, v2: wages paid to users

The typical situation is that  $v2 \Rightarrow 0$  and that  $v2$  substitutes  $v1$  ( $v1 \Rightarrow v2=0$ ). If the production of content and the time spent online were carried out by paid employees, the variable costs would rise and profits would therefore decrease. This shows that prosumer activity in a capitalist society can be interpreted as the outsourcing of productive labour to users, who work completely for free and help maximizing the rate of exploitation ( $e = s / v = \text{surplus value} / \text{variable capital}$ ) so that profits can be raised and new media capital may be accumulated. This situation is one of infinite exploitation of the users. The wages paid to users for their surplus value generation equals zero so that the rate of exploitation converges towards infinity. This means that capitalist prosumption is an extreme form of exploitation, in which the prosumers work completely for free.

<36> The fact that surplus value generating labour is an emergent property of capitalist production, means that production and accumulation will break down if this labour is withdrawn. It is an essential part of the capitalist production process. That prosumers conduct surplus-generating labour, can also be seen by imagining what would happen if they would stop using Facebook: The number of users would drop, advertisers would stop investments because there would be no objects for their advertising messages and therefore no potential customers for their products, the profits of the new media corporations would drop, and they would go bankrupt. If such activities were carried out on a large scale, a new economy crisis would arise. This thought experiment shows that users are essential for generating profit in the new media economy. Furthermore they produce and co-produce parts of the products, and

therefore parts of the use value, exchange value, and surplus value that are objectified in these products.

### **Play Labour: The Structure of Drives of Social Media Prosumption**

Capitalism connects labour and play in a destructive dialectic. Traditionally, play in the form of enjoyment, sex, and entertainment was in capitalism only part of spare time, which was unproductive and separate from labour in time. Freud (1961) argued that the structure of drives is characterized by a dialectic of Eros (drive for life, sexuality, lust) and Thanatos (drive for death, destruction, aggression). Humans would strive for the permanent realization of Eros (pleasure principle), but culture would only become possible by a temporal negation and suspension of Eros and the transformation of erotic energy into culture and labour. Labour would be a productive form of desexualization – the repression of sexual drives. Freud speaks in this context of the reality principle or sublimation. The reality principle sublates the pleasure principle; human culture sublates human nature and becomes man's second nature.

Marcuse (1955) connected Freud's theory of drives to Marx's theory of capitalism. He argued that alienated labour, domination, and capital accumulation have turned the reality principle into a repressive reality principle – the performance principle: alienated labour constitutes a surplus-repression of Eros – the repression of the pleasure principle takes on a quantity that exceeds the culturally necessary suppression. Marcuse connected Marx's notions of necessary labour and surplus labour/value to the Freudian drive structure of humans and argued that necessary labour on the level of drives corresponds to necessary suppression and surplus labour to surplus-repression. This means that in order to exist, a society needs a certain amount of necessary labour (measured in hours of work) and hence a certain corresponding amount of suppression of <37> the pleasure principle (also measured in hours). The exploitation of surplus value (labour that is performed for free and generates profit) would mean not only that workers are forced to work for free for capital to a certain extent, but also that the pleasure principle must be additionally suppressed.

Behind the reality principle lies the fundamental fact of Ananke or scarcity (Lebensnot), which means that the struggle for existence takes place in a world too poor for the satisfaction of human needs without constant restraint, renunciation, delay. In other words, whatever satisfaction is possible necessitates work, more or less painful arrangements and undertakings for the procurement of the means for satisfying needs. For the duration of work, which occupies practically the entire existence of the mature individual, pleasure is 'suspended' and pain prevails (Marcuse 1955:35).

In societies that are based on the principle of domination, the reality principle takes on the form of the performance principle. Domination "is exercised by a particular group or individual in order to sustain and enhance itself in a privileged situation" (Marcuse 1955:36). The performance principle is connected to surplus-repression, a term that describes "the restrictions necessitated by social domination" (Marcuse 1955:35). Domination introduces "additional controls over and above those indispensable for civilized human association" (Marcuse 1955:37).

Marcuse (1955) argues that the performance principle means that Thanatos governs humans

and society and that alienation unleashes aggressive drives within humans (repressive desublimation) that result in an overall violent and aggressive society. Due to the high productivity reached in late-modern society, a historical alternative would be possible: the elimination of the repressive reality principle, the reduction of necessary working time to a minimum and the maximization of free time, an eroticization of society and the body, the shaping of society and humans by Eros, the emergence of libidinous social relations. Such a development would be a historical possibility – but one incompatible with capitalism and patriarchy.

Gilles Deleuze (1995) has pointed out that in contemporary capitalism, disciplines are transformed in such a way that humans increasingly discipline themselves without direct external violence. He terms this situation the society of (self-)control. It can for example be observed in the strategies of participatory management. This method promotes the use of incentives and the integration of play into labour. It argues that work should be fun, workers should permanently develop new ideas, realize their creativity, enjoy free time within the factory, etc. The boundaries between work time and spare time, labour and play, become fuzzy. Work tends to acquire qualities of play, and entertainment in spare time tends to become labour-like. Working time and spare time become inseparable. At the same time work-related stress intensifies <38> and property relations remain unchanged. The exploitation of Internet users by corporate social media is an aspect of this transformation. It signifies that private internet usage, which is motivated by play, entertainment, fun, and joy – aspects of Eros – has become subsumed under capital and has become a sphere of the exploitation of labour. It produces surplus value for capital and is exploited by the latter so that Internet corporations accumulate profit. Play and labour are today indistinguishable. Eros has become fully subsumed under the repressive reality principle. Play is largely commodified, there is no longer free time or spaces that are not exploited by capital. Play is today productive, surplus value generating labour that is exploited by capital. All human activities, and therefore also all play, tends under the contemporary conditions to become subsumed under and exploited by capital. Play as an expression of Eros is thereby destroyed, human freedom and human capacities are crippled. On corporate social media, play and labour converge into play labour that is exploited for capital accumulation. The corporate Internet therefore stands

| Essence of human desires:         | Reality principle in societies with scarcity | Repressive reality principle in classical capitalism                                     | Repressive reality principle in capitalism in the age of corporate social media   |
|-----------------------------------|--|--|---|
| immediate satisfaction            | delayed satisfaction                         | delayed satisfaction   | Immediate online satisfaction   |
| Pleasure                          | restraint of pleasure                        | leisure time: pleasure, work time: restraint of pleasure, surplus repression of pleasure | Collapse of leisure time and work time, leisure time becomes work time and work time leisure time, all time becomes exploited, online leisure time becomes surplus value-generating, wage labour time = surplus repression of pleasure, play labour time = surplus value generating pleasure time |
| joy (play)                        | toil (work)                                  | leisure time: joy (play), work time: toil (work)   | play labour: joy and play as toil and work, toil and work as joy and play   |
| Receptiveness                     | productiveness                               | leisure time: receptiveness, work time: productiveness                                   | Collapse of the distinction between leisure time/work time and receptiveness/productiveness, total commodification of human time  |
| absence of repression of pleasure | repression of pleasure                       | leisure time: absence of repression of pleasure, work time: repression of pleasure       | play labour time: surplus value generation appears to be pleasure-like, but serves the logic of repression (the lack of ownership of capital)   |

Table 3: Pleasures in four modes of society (human essence, society with scarcity, classical capitalism, capitalism in the age of corporate social media), based on a table from Marcuse 1955:12.

<39> for the total commodification and exploitation of time – all human time tends to become surplus-value generating time that is exploited by capital. Table 3 summarizes the application of Marcuse’s theory of play, labour and pleasure to corporate social media.

## Conclusion

Corporate social media are not a realm of user/prosumer participation, but a realm of Internet prosumer commodification and exploitation. The exploitation of Internet prosumer labour is one of many tendencies of contemporary capitalism. It is characteristic for a phase of capitalist development, in which the boundaries between play/labour and private/public become blurred.

Given the rise of hyper-neoliberalism as response to the new global capitalist crisis, a shift towards the right and extreme-right in many countries and only slight movements of resistance, I have my doubts that in the contemporary situation of capitalism corporate domination will be successfully resisted. Alternatives are possible, the question is how likely it is that they will be realized.

Four strategies for achieving this goal are 1) the advancement of opt-in online advertising, 2) civil society surveillance of Internet companies, 3) the establishment and support of alternative platforms, and 4) the establishment of an alternative societal context of Internet use.

(1) Opt-in privacy policies

Oscar Gandy (1993) argues that an alternative to opt out solutions of targeted advertising are opt-in solutions that are based on the informed consent of consumers. Opt-in privacy policies are typically favored by consumer and data protectionists, whereas companies and marketing associations prefer opt-out and self-regulation advertising policies in order to maximize profit (Gandy 1993). Socialist privacy legislation could require all commercial Internet platforms to use advertising only as an opt-in option, which would strengthen the users' possibility for self-determination.

Within capitalism, forcing corporations by state laws to implement opt-in mechanisms is certainly desirable, but at the same time it is likely that corporations will not consent to such policies because opt-in is likely to reduce the actual amount of surveilled and commodified user data significantly, which results in a drop of advertising profits. Organizing targeted advertising as opt-in instead of as opt-out or no option does not establish economic user privacy, but is a step towards strengthening the economic privacy of users.

#### <40> (2) Corporate watch-platforms as form of struggle against corporate domination

In order to circumvent the large-scale surveillance of consumers, producers, and consumer-producers, movements and protests against economic surveillance are necessary. Kojin Karatani (2005) argues that consumption is the only space in capitalism where workers become subjects that can exert pressure by consumption boycotts on capital. I do not think that this is correct because also strikes show the subject position of workers that enables them to boycott production, to cause financial harm to capital, and to exert pressure in order to voice political demands. However, Karatani in my opinion correctly argues that the role of the consumer has been underestimated in Marxist theory and practice. That in the contemporary media landscape media consumers become media producers who work and create surplus value shows the importance of the role of consumers in contemporary capitalism and of "the transcritical moment where workers and consumers intersect" (Karatani 2005:21). For political strategies this brings up the actuality of an associationist movement that is "a transnational association of consumers/workers" (Karatani 2005:295) that engages in "the class struggle against capitalism" of "workers qua consumers or consumers qua workers" (Karatani 2005:294).

Critical citizens, critical citizens' initiatives, consumer groups, social movement groups, critical scholars, unions, data protection specialists/groups, consumer protection specialists/groups, critical politicians and critical political parties should observe closely the surveillance and exploitation operations of Internet corporations and document these mechanisms and instances where corporations and politicians take measures that threaten privacy or increase the surveillance of citizens. Such documentation is most effective if it is easily accessible to the public. The Internet provides means for documenting such behaviour. It can help to watch the watchers and to raise public awareness. In recent years, corporate watch organizations that run online watch platforms have emerged.

Examples for corporate watch organizations are:

CorpWatch Reporting (<http://www.corpwatch.org>),

Transnationale Ethical Rating (<http://www.transnationale.org>),

The Corporate Watch Project (<http://www.corporatewatch.org>),

Multinational Monitor (<http://www.multinationalmonitor.org>),

crocodyl: Collaborative research on corporations (<http://www.crocodyl.org>),

Endgame Database of Corporate Fines (<http://www.endgame.org/corpfines.html>),

Corporate Crime Reporter (<http://www.corporatecrimereporter.com>),  
Corporate Europe Observatory (<http://www.corporateeurope.org>),  
Corporate Critic Database (<http://www.corporatecritic.org>)

<41> Corporate watch platforms on the other hand are attempts by those resisting against asymmetric economic power relations to struggle against the powerful class of corporations by documenting data that should make economic power transparent. Online corporate watchdog organizations document and gather data about the irresponsibility of corporations. Also WikiLeaks is an online watchdog platform that tries to make power transparent by leaking secret documents about political and economic power. It describes itself as “the first intelligence agency of the people” (WikiLeaks 2010). WikiLeaks mentions as one of its goals to promote “good governance”: “Open government answers injustice rather than causing it. Open government exposes and undoes corruption. Open governance is the most effective method of promoting good governance” (WikiLeaks 2010). The concept of “good governance” has been employed by the International Monetary Fund (IMF 1997) for describing conditions indebted and poor countries have to fulfill in order to get an IMF loan. This circumstance shows that WikiLeaks today has a liberal bias by focusing mainly on making government power visible. It could turn from a predominantly liberal watchdog organization into a socialist watchdog organization if it focused more on making also corporate power transparent.

Watchdog organizations (just like alternative media in general, see Fuchs 2010a, Sandoval and Fuchs 2010) try to exert counter-power. But they are facing resource asymmetries that result in an antagonism between resource precariousness and political autonomy. They are facing three serious limits in capitalism:

- a) They are frequently based on precarious, self-exploitative labour
- b) They often lack all types of resources
- c) Resource provision by politics or the economy may threaten their political autonomy and make them vulnerable to corporate or political filtering of their contents.

### (3) Alternative Internet platforms

Another attempt to resist corporate domination of the Internet are non-commercial, non-profit Internet platforms. Wikipedia is the only non-commercial, non-profit Internet platform ranked in the global top 100 of web platforms (data source: alexa.com, accessed on May 25, 2011). It is based on voluntary labour that is not exploited because no economic profit is generated. Wikipedia (and other non-commercial projects) are however vulnerable to capitalist appropriation. If it were transformed into a company, all of the millions of labour hours invested by volunteers were suddenly exploited. This might mean the end of Wikipedia because users have the option to stop contributing to it, but <42> it would make a few people controlling the Wikimedia Foundation very rich at the expense of the proletarianized Wikipedians.

The most well-known alternative social networking sites project is Diaspora, which tries to develop an open source alternative to Facebook. Diaspora defines itself as “privacy-aware, personally controlled, do-it-all, open source social (<http://www.joindiaspora.com>, accessed on November 11, 2010). It is not funded by advertising, but by donations. The social networking site kaioo is not only non-commercial, it also has terms of use and privacy terms that can be discussed and edited by the users in a wiki.

#### (4) Alternative societal framework

The contradictions of the corporate Internet can only be resolved in a framework of society that overcomes inequalities. An alternative Internet requires an alternative societal setting: a solidary, co-operative information society – a participatory democracy. Calls for the strengthening of privacy in the light of corporate Internet domination are shortsighted and superficial because privacy is intended to protect humans from harm, not to overcome those conditions and structures that cause harms. Slavoj Žižek (2001, 256) suggests in this context not to “retreat into islands of privacy, but an ever stronger socialization of cyberspace“ (Žižek 2001, 256). Privacy is a contradictory value, it is proclaimed in liberal ideology, but at the same time constantly undermined by corporate and state surveillance. The Swiss Bankers Association sees bank anonymity as a form of “financial privacy” (<http://www.swissbanking.org/en/home/qa-090313.htm>) that needs to be protected and speaks of “privacy in relation to financial income and assets“ (<http://www.swissbanking.org/en/home/dossier-bankkundengeheimnis/dossierbankkundengeheimnis-themen-geheimnis.htm>), which shows that privacy can also protect the rich and powerful from public accountability, which can help increasing and legitimizing inequality. The questions in discussions about privacy should therefore be: Who should be protected by privacy rights in order to be saved from harm? Whose privacy rights should be limited in order not to damage the public good? Privacy contradictions can never be resolved in capitalism. The Swedish socialist philosopher Torbjörn Tännsjö (2010) calls for the establishment of an “open society“ that is based on equality and democracy instead of the strengthening of privacy rights. The use of the term “open society” is unfortunate because Karl Popper (1962) employed the same notion for defending the liberal ideology that Tännsjö is criticizing. What Tännsjö actually means by an open society is a participatory democracy.

Questions that remain and are of high political urgency are: How can we achieve a participatory Internet in a participatory democracy and how do we achieve both? How do we avoid a heteronomous information society and create <43> a participatory information society as context for a participatory Internet? The task for Internet Studies is to overcome its own positivistic mainstream and to focus on the analysis of both alienation and empowerment (Bakardjieva 2011).

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<sup>i</sup> Sweden is the leading information society according to the ICT Development Index, the Network Readiness Index and the Digital Economy Rankings, see Findahl 2010:11), which is an indication that we should not overstate social media's importance.