Commoning Governance Talk

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Last year, on 28 February 2016, Michel Bauwens gave a talk at Casco – Office for Art, Design & Theory for <u>Commoning Governance</u>, the third instalment of the *We Are the Time Machines Commoning Forum Series*. This event aimed to look into actually existing commoning practices working with, within and against existing forms of governmentality on different scales. More specifically, the question was how and to what extent these practices can alter and revolutionize existing governmental forms from within. To this end, we relied on the concrete, lived experience with commons-based modes of governance of two speakers. The first was Manuela Zechner, a researcher and cultural worker involved in the leftist party Barcelona en Comú, which seized power in Barcelona in the city's municipal elections in May 2015. After Zechner, Bauwens spoke in his capacity as founder of the <u>P2P Foundat</u>ion, an international organization – itself structured as a commons – dedicated to studying, documenting, and promoting peer-to-peer processes, from software production to participatory forms of knowledge-sharing. The P2P Foundation is mostly known for its work on <u>Ecuador's FLOK (Free-Libre, Open Knowledge) Society plan</u>, the first time an entire nation commissioned a plan to transform itself into a mature peer-to-peer economy.

In his talk Bauwens discussed his work in Ecuador as an experiment that ultimately failed due to hesitations on behalf of the Ecuadorian government, but that had some interesting outcomes nonetheless. Taking cues from the lessons learned from FLOK, he evaluated the practical possibilities that exist in moving to a post-capitalist form of cooperative peer-to-peer production, noting that a special point to attend to was the role that existing political structures, such as cities and states, can play in this process. First, however, Bauwens addressed how the seeds for this transition are already planted, as evidenced in the shift in the value regime that is becoming more and more evident everywhere.

A Shift in the Value Regime

I would like to start today with presenting a really interesting graph I encountered in a book by Tine De Moor, who is quite well-known here, as she works in Utrecht.[1] In her booklet *Homo cooperans* (2013), she calculates the number of civic and cooperative initiatives in the Netherlands. There is linear growth from 1980 until 2005, but from then on growth is exponential. This has been confirmed in a second report by Oikos for the Flanders, which saw a ten-fold increase in less than ten years, starting in 2009.

Now, it is very easy to be pessimistic about the future, especially after the election results

in the US and elsewhere, but this flowering of civic initiatives should not be discounted and shows us another type of transition is on the way as well.

What I think we are seeing today is a major shift in the value regime. Robert Moore, in his book *The First European Revolution* (2000), describes how until the tenth century Europe was still structured more or less as it had been during the Roman Empire. The actual political power of the Roman Empire was gone, but its type of political and social structure based on masters, slaves and freemen was still very much alive and the economic wealth was based on conquests. It took a social mobilization of the common people, resulting in a social revolution, a movement called The Peace and Truce of God. The movement started in the South of France with the massive mobilization of poor people under the leadership of the monks of Cluny to create a new social contract, which led to the transformation of the plunder economy to the feudal economy. This means a change in the value regime towards one based on extracting surplus from land. Similarly, you could think of the fifteenth century, with the invention of double bookkeeping, the printing press, the purgatory as an ideological construct and other changes that would eventually lead to the value regime of capitalism.

So I think that what is happening today is something similar, that we are moving from a capitalist value regime to something else. Today, basically, we are still accustomed to thinking that value is necessarily economic, that it is created in the market by private individuals and corporations, through private market relations. The market is the sole location where value is generated. So, according to this logic, educating your children does not have value. Volunteering to clean up an oil spill does not have any value that is recognized. Because market relations are geared towards private, mutual benefit, we have a market, but then we also have a state that regulates this market, and finally we have a civil society that, to be a bit cynical, is what you may or may not do when you come home tired. Unless of course you are lucky enough to have some subsidies, which come from the market being taxed and then sent indirectly to civic organizations – including art organizations like the one we find ourselves in today. This is the left-Keynesian scheme that fits within mainstream thinking about what value is and where it comes from.

I think, however, that something else is emerging, something that was perhaps identified by Yochai Benkler as the wealth of networks, and the concomitant idea of commons-based peer production. What is happening today is that we are moving from closed systems to open contributor systems. In my view, a new value regime is being born, one that is not based on surplus value created in the market through capital and labour, but through contributions that are recognized as such by 'sovereign value communities'. Peer production communities are creating their own 'value sovereignty', deciding themselves what contributions qualify as valuable. And according to a three-year research project called P2P Value, in which the P2P Foundation participated, 78 per cent of the 300 examined projects use, or were working on, contributory accounting systems that create a filtering membrane between the dominant market value system, and the new contributory value system. We have just published a report on this, called 'Value in the Commons Economy: Developments in Open and Contributory Value Accounting', explaining how this works in three important community projects. [2]

In these contributory platforms, productive knowledge is being mutualized, and this is where the vision of value changes dramatically. The idea is that the value is what is contributed to these platforms. So this is not labour producing commodities, commodities as products, this is contributions of citizens creating commons. Take, for instance, WikiHouse as a platform for the production of sustainable housing. The productive capacity, the productive knowledge is being generated and utilized through contributions of the architects and the various experts that produce, co-produce all the knowledge that they actually need for that value creation. What you see happening in these communities like SENSORICA, which is an open science hardware community, or Enspiral Foundation in New Zealand, (and in the P2P Foundation as well) is that they operate on a completely

different notion of value.

Now, the paradox, of course, is that when a new value regime emerges within a dominant system, this old system is going to try and use and co-opt and dominate and extract value from the newly emergent regime. Think, for instance, of how the ancien régime used capitalist forms to maintain itself in a time when it was actually acutely becoming obsolete. So now we have this peer production, this new creation of value, but you also have these giant sucking machines, which I call netarchical capital. It is important to see how this is a new form of capitalism, if we want to prevent it from destroying the commons. In a limited way, netarchical capital actually enables and empowers commons, but simultaneously it extracts the value that is created collectively there. So this new form of capitalism (just think of Google, YouTube, Uber and Airbnb) are trying to capture as directly as possible the value of human cooperation. They no longer rely on labour in any traditional sense: Facebook has relatively few employees, but they do have 1.5 billion people co-creating value on their platform. This is what I mean by netarchical capitalism.

Allow me to use another historical analogy here: Imagine you were living in the late eighteenth century and you are a capitalist, a capital owner. As Karl Polanyi has described in his book *The Great Transformation* (1944), being a capitalist in that time meant that you already had the capital to buy machines, to buy raw material. But the labour was still organized according to the guild system. So what you would do is rent the machines, rent the raw material, and then buy back the finished product. In other words, capital was co-dependent on the old structures of the ancien régime; it was co-dependent on the remnants of the feudal system in order to exist. And it was only later that you would, for instance, have the abolishment of the Poor Laws with their basic income provisions (Polanyi discusses the Speenhamland system), and that suddenly everyone was dependent on commodity production in order to survive. It was only then that labour itself became a commodity and capitalism could fully reproduce itself.

Towards Cooperative Peer-to-Peer Production

So how could we achieve something similar for peer production? How could we make it the dominant form? How can we, ourselves, create and control the surplus value that we create through our work and reinvest it in autonomous peer production communities. How can we make these communities into entities that create and maintain an economy and a livelihood around these contributions? Because this is the problem now: I want to do something meaningful, I want to make the world a better place. Many young people want to do this; I read a survey shows that 98 per cent of design students in Aalto University in Finland say they want to do this. But 98 per cent of these design students are going to be employed in a corporation, and will have to do planned obsolescence instead of sustainable design. So if you do not want to accept this, today, your only choice is to create your own social-entrepreneurial – or whatever you want to call it – entity, to try and create a livelihood around shared productive resources, probably starting with open knowledge, as we do not really have many shared or common material resources today. So the idea is to have ethical-entrepreneurial coalitions around these resources. Inside such a coalition, you are a commoner, and inside a commons there is no market because it is an abundant, shareable resource, it's beyond price, so there is no economy in a capitalist sense there. But since of course capitalism still is the dominant system, it is necessary to create an open co-op.

I define an open co-op as: firstly, not for profit, so any surplus you produce in the capitalist market at large is reinvested in the social goal of your entity; secondly, multi-stakeholder, so you recognize all the people who are involved in your activity and give them a voice, a vote on what direction this activity should go; thirdly, statutorily engaged in co-creating commons using open licenses and similar forms. So that creates, instead of capitalist accumulation, cooperative accumulation in an ethical market, in a post-capitalist market.

For a concrete example, think of the consumer-supported agriculture method, where a group of consumers get together, pull together their purchasing power, and make a contract with one farmer or a group of farmers, establishing a bond of solidarity with the farm and its productive capacities. So you buy a certain percentage, a share, the profits of which you do not accumulate but either use up or reinvest. This way, you create a relationship towards production that is based on solidarity. It is still a market in the sense that you use money, but there's no capital accumulation for private shareholders. The means of production are not separated from the producers: in such a co-op, production is managed democratically, and any profit is reinvested in the productive capacity of the real value producers. So, for these reasons I feel confident saying that this is a post-capitalist market form that is aligned and in harmony with the logic of the commons.

Recently, we have seen the emergence of a form of 'platform cooperativism' in which the producers and users, on platforms for so-called peer-to-peer exchange, take ownership and governmental control of their exchange themselves. This is not the commons economy that I have described above, in which peers produce commons, but these are platforms in which peers exchange goods or services. In this case, however, the platform itself can be claimed as a commons, as a means of escaping netarchical capitalism, which wants to claim rent on these kinds of exchanges and activities.

If you look at the institutional emergence of peer production, you have the productive community using mutual-coordination mechanisms, you have the entrepreneurial coalitions, which should and could be 'generative' vis-à-vis the contributory communities and the natural resources used in their system, but there is also a new governance entity, the so-called for-benefit association. Think again of Enspiral, but also the Wikimedia Foundation et cetera. These organizations do not command the production itself; they merely enable it, making sure the infrastructure of cooperation is maintained over time. So we have productive communities (meaning citizens and residents have become productive through their contributions), we have an ethical and generative market that recognizes the need for reciprocity with the commons, and finally, we have our 'common good' institutions, which manage the 'virtual territory', which is why it is also a kind of 'state' for these new commons communities. What is emerging here is not just a variety of microstructures, but also a model for a new form of society, one that is based on the new value regime.

The idea of the 'partner state' is not easy to accept by our more libertarian-orientated friends – yet they happily accept the general territorial institutions at work in Rojava and Chiapas. But this is in fact what we have in mind. The 'commons of the commons', what is common to all of us, independently of our individual commoning activity, is the proper domain of the 'res publica', of the state.

Of course, if you think about the state and how it exists today, all of this is pretty hard to imagine. But I think what we can do is conduct prefigurative experiments. There are already examples out there where the state starts acting in quite a different way. Not as an entity that produces undemocratic public services that are passively consumed, but rather as one that creates the conditions that its citizens need to achieve personal and social autonomy. And this is why the Netherlands is so interesting, because, of course, here you are doing the opposite. The so-called participation society is the exact opposite of the partner state because it actively destroys capacity building; it's a fraud, it's a right-wing recuperation of the commons, merely on the level of rhetoric. Just as the big society was in the UK. A more positive model would be found at the city level, for example the Bologna Regulation for the Care and Regeneration of the Urban Commons. This regulation has been taken over by more than 140 Italian cities and some of them are undertaking advanced experiments in urban labs such as Co-Bologna, Co-Mantova, and so forth. In this model, citizens can claim commons, make proposals, and an 'accord', with the city as enabling mechanism, determines how the city will assist citizens in their efforts.

Ecuador

We, that is the P2P Foundation, tried to do something with that philosophy in Ecuador. It did not end very well, but it was an interesting experiment. The request of the Ecuadorian government [the Ministry of Knowledge, the Secretary of Innovation, and the University for Public Officials (IAEN)] was for a group of people to examine the possibility of moving from an extractive economy that depends on finite, material resources, to a social-knowledge economy that depends on abundant immaterial and infinite resources. I worked as research coordinator on this project.

Here is what we proposed: let's imagine that you have an economy that functions around huge commons, education commons, a culture commons, a science commons, an industry commons, an agricultural commons. In other words, all the productive knowledge that you need as a society is available for everyone, all citizens, all entrepreneurs and all public officials. So the first question is: how do we feed the commons? What do we need to actually have an open education commons, for example, or an open science commons? Because if you do not have open access publishing, you cannot have an education commons, right? Because certainly indigenous students in Ecuador are not going to be able to afford to pay forty euros per scientific publication they will need to read. So if you do not change that, then the 'education commons' is just empty phraseology: you need a feeding mechanism for this to be working. What we also looked at was material infrastructure. So, for example, what happens when you move from a proprietary science lab to an open-source lab? Joshua Pearce has discussed this in his book *Open-Source Lab* (2013). One example is the Zeiss microscope, which costs about 15,000 euros. A very, very similar, open-source design microscope (which is so similar because it is actually designed by the same people working on the Zeiss microscope, I was told) is 1,000 euros. These open-source machines are there, they exist. And if you use them, you can have four to eight times more science labs in a country like Ecuador, so you explode the capacity of this society to do things.

Regulation, the immaterial infrastructure, is also important. To give you an example, Ecuador has a really good free software decree – at least on paper. In practice, they cannot find IT graduates that are willing to work for 1,500 US dollars a month for the Ecuadorian state or an Ecuadorian city to actually produce this free software. On the other hand, they have probably 5,000 young people in the country who have actually learned on their own to code through peer-to-peer learning communities. So here if you recognize open certification, open accreditation, and create some link with a recognized institution, then suddenly those 5,000 people become available. So you also have to work in this immaterial infrastructure.

Now, what is lacking here is very obvious: it was not our choice, but it was stipulated that we could only work on the immaterial commons. We also have housing commons and food commons, but this was not part of our mandate, so we could not work on it. But for me, this is what I'd love to do if I had financing. That way, we would have a fairly complete vision of what it could mean to actually move, in a strategic way, to a commons-based society and economy.

Despite these limitations, one great aspect of what happened in Ecuador was that our methodology for this research project was quite participatory. We organized twenty-four local workshops, one in every province, to get civic input from local people, young people, women's organizations and indigenous organizations. Here, we took some cues from Augusto Boal's *Theatre of the Oppressed* (1979). Then we had a structure process to talk with about seventy different civic organizations. And we made a synthesis of those two phases and we put the outcomes online. Then we had another period, I think six weeks, where people could interact with the online texts, make suggestions, comments and edits. Finally, we had a big conference, with experts, locals and state officials represented

equally; this is how the research agenda was determined.

So to evaluate briefly, all in all I think it was an interesting process, one that, at a state level, I do not see happening again anytime soon – though for a brief moment it looked like something like this could have happened in Greece, for instance. Similarly, there was a momentary vacillation in the Ecuadorian government and it actually seemed possible to make this transition to the commons. But they moved back to the extractivist position very quickly, too. This government entertained certain ideas about the commons, but when push came to shove, they thought they had to give in to the neoliberal world order instead of take a chance for change. Under pressure to offer immediate material benefits to their electorate, they immediately took recourse again to Keynesianism, which as I have argued is still completely in the old paradigm. It still believes you have to have a strong market that you can tax, to then invest in other things. So for instance this government had Yasuní, a project to protect the rainforest, but then they abolished that project. So they returned very quickly to the same old extractivist story: 'Maybe we want to move to the commons, but we simply cannot afford to do so right now.' The idea that you need those extracted resources because otherwise you cannot pay for social redistribution is still such a strong subconscious conviction. This is why it is more realistic to work with local seed form communities first, but interlinked transnationally in their global design commons, and to seek to influence cities first, which can also be inter-linked in global urban coalitions. Working at the state level will be much more difficult and require an in-depth transformation of progressive forces towards visions of the commons, which are still mostly lacking today.

Scale without Hierarchy

The reason I am stressing the state so much is because I still believe that it is the combination of bottom-up organization and the resources of the public sphere that can really make a difference. I think we need to think about scale, I actually believe we need scale. But, with unity of effort without unity of command, I think the idea that you need hierarchy for scale is what we need to abandon. I am probably different from Katherine Gibson in that respect, since one very big issue for me is fragmentation. We have 20,000 entries for commons initiatives in the P2P wiki, and that is just the tip of the iceberg. There is so much more happening today, so many people are working on openness and the commons in many different spheres: local, regional, state, global. The solidarity economy is growing as well. There's a renewal of the cooperative economy. So all these things are happening at the grassroots level, but they are fragmented, and that fragmentation is something I think we need to overcome.

I personally think that, like the state, the city can be a really powerful level for overcoming that fragmentation. So just as an example, I think cities should create transition platforms – and in fact these are being created by citizens already. Food, energy, shelter, and mobility transition platforms, where all the stakeholders at the local level, the ethical entrepreneurs, the civic organizations and the informal networks of citizens can devise together strategies for the transition, which can then be proposed to the city and can inform the policymaking and the allocation of resources to these transition platforms.

So I see a role for the city as a potential locus of mutualization. We have a need to create meta levels of cooperation between all these various, grassroots and bottom-up initiatives. Between vertical, top-down governmental structures and grassroots horizontalism, we need diagonal, hybrid forms that can transport the strengths of the top-down allocation systems (states, cities) into the grassroots, compositional sphere. This, in short, is the strategy that we are proposing.

We also need conversions between three types of solutions: sustainability, commons and

solidarity. So the open-source circle economy is the conversions between sustainability and the commons, and open cooperativism, platform cooperativism is the conversion between the commons and the ethical economy.

Politically, we need assemblies of the commons: places where the citizens and the ethical entrepreneurs can find a voice and create proposals towards the public sphere. We need commons transition coalitions, like in Melbourne, where people who are motivated towards the commons can get together to learn from each other. In November 2016, we had the first European Commons Assembly, which assembled 300 commoners in the heart of the European Union Institutions, and in France, we have more than half a dozen Assemblies of the Commons at the urban level. Also, we need to get together at a global level: all the transnational groups need to learn to work together, and all the global business ecosystems, the ethical ecosystems need to work together as well. So what I think we can do, when we have power, is create commons infrastructures that can last even when we lose that power again. And this is something we really need to start working on.

Michel Bauwens is the founder of the P2P Foundation, a global research and activist / advocacy network studying the emergence of peer production and commons-centric economic, political and social forms. He lives in Thailand since 2003, and is undertaking, in the spring of 2017, a Commons Transition Plan for the City of Ghent, Belgium. He is the co-author of the report *Value in the Commons Economy*, which researches and analyzes the current transition in value regime.

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Footnotes

1. Tine De Moor, *Homo cooperans: Instituties voor collectieve actie en de solidaire samenleving*, lecture delivered at Utrecht University, 30 August 2013. See www.docplayer.nl.
2. See: www.p2plab.gr.

Tags

Activism, Commons