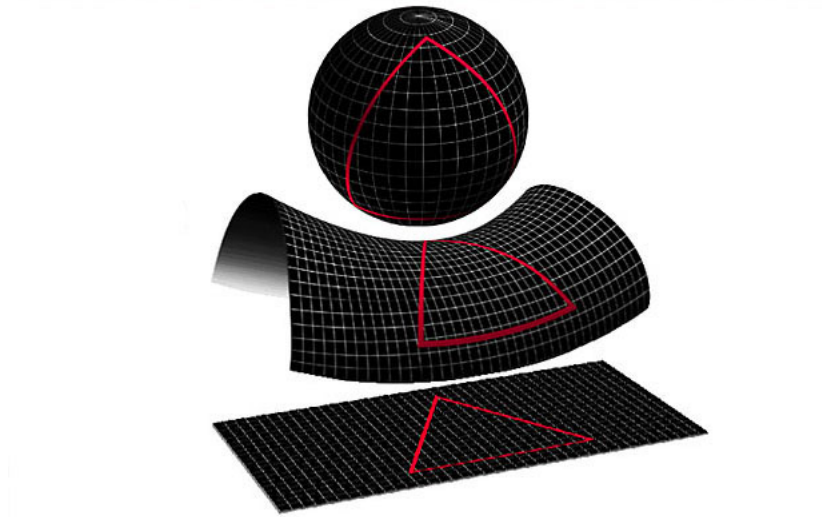Matteo Pasquinelli

Digital Neofeudalism

Crisis of Network Politics and the New Topology of Rent

Liquid Democracies conference at Transmediale festival
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There is no longer an outside
Aspatiality and atemporality in network culture

1. The turn of internet activism. What has changed in media and internet activism in the last decades? The first proper activist network of video-sharing, Indymedia, has been overwritten by Youtube; social networks like Facebook are becoming in fact sources of information and bottom-up media; Twitter is encapsulating liquid hierarchies of micro-prestige and is formatting information down to a sort of new universal unit: a 140-character string.

Aside from a history of network forms and software protocols, it would be interesting to make a history of techno-political forms *behind* these tools, something similar to what Richard Barbrook did in his lecture, thinking *historical materialism applied to technology* few days ago.

2. There is no more an outside. Compared to a decade ago, the galaxy of digital activism reached the limit of its expansion. There is no more a frontier, a space where to experiment politically. The utopias of the net shifted from self-organised media to generic activism on corporate platforms with their closed code and protocols. This scenario is two-time close. Closed in its spatial limits, and closed also in its codes, protocols, legal and copyright terms.

'There is no more an outside' — a saying goes today. A universe closed upon itself. It's an interesting symptom that the most radical form of online activism is today the virtual suicide from social networks. See projects like *seppukoo.com* and *suicidemachine.org*, which help you to delete automatically your online identity from the major social networks. From early Indymedia to *social network suicide*, a whole universe turns and closes upon itself. 'There is no more an outside' becomes also the topological slogan of the internet universe after being the slogan of the postmodern universe.

3. Atemporality and aspatiality. This image of media space — 'there is no more an outside' — resounds closely to the theme of atemporality that Bruces Sterling introduced yesterday. To say 'there is no more an outside' is similar to say 'there is no more a future or a past'. Every time is now. Every place is here. Atemporality and aspatiality are a perfect description of the technosphere as well as of an imploding universe.

However, like in the chess game, the chessboard is at the same time limited in its parts and almost infinite in its combinatory. Struggles and narratives are still possible within a finite chessboard.

4. Breaking the aquarium of the liquid democracies. These *atemporality* and *aspatiality* are the dimension of the universe of the *liquid democracies* that we are supposed to discuss in this conference. These liquid democracies look to me as a claustrophobic aquarium locked by corporate networks and the conformism of social networks. However I don't like to indulge in any cynicism. Looking at the them, in a joke we may ask: can we break the aquarium of these liquid democracies and let the multitudes flow?

5. Future is *neo*-feudal! Anyway, I like this notion of liquidity as much as atemporality. However, I think we have to ground these notions on something more material, on economy itself possibly. I would like to talk about something new and old at the same time. The past return in new forms, as the future is supposed to happen now. Instead of *liquid democracies* I'd like to introduce *liquid neofeudalism*, or better *digital neofeudalism, cognitive neofeudalism.*

Don't worry feudalism is not something old. As I said it's very new, it's in the future, it's the future with a steam-punk twist: it's NEO-feudalism! Neofeudalism is the polarised scenario where few landlords owns the whole infrastructure of communication (hardware layer, protocol layer, meta-data layer, social network layer) and face a multitude of cognitive workers forced to 'creativity'. In the middle, indeed, the crisis, the shrinking of the middle class of the digital age.
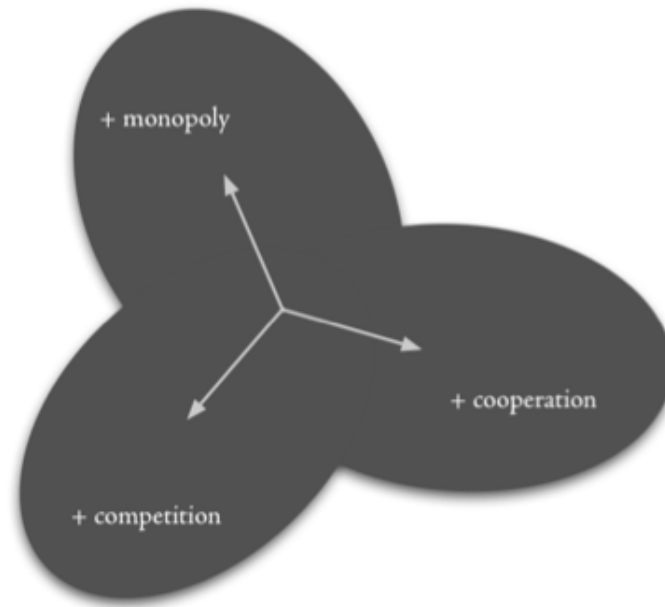
Digital neofeudalism

The internet as a liquid pyramid

6. Digital neofeudalism: The internet is a liquid pyramid. Indeed digital networks are liquid, flexible and stretchable. But they have these properties in any direction and for any actor. The digital matrix made cooperation easier but also made competition easier. In particular the digital made global monopolies easier and faster to establish.

Each new digital platform has become hegemonic in a short time. Take Myspace, Facebook, Youtube, Twitter. The internet is becoming faster and faster a stratification of one-dimensional protocols. It's a very Darwinist scenario: the creative class is just the opium for the masses: here very few players win. Not to mention the layer of proprietary hardware, smarpthones and the lineage of iPhone, iPod, iPad. Here we are talking of huge techno-conglomerates.

This liquid matrix of the digital should be drawn along these 3 tensions: user cooperation, labour competition, corporate monopolies. Which is the strongest vector? Are we sure that digital cooperation is stronger than digital monopolies?

7. Digital neofeudalism: Network society is not horizontal but polarised. An example. The digital changed the world of music in quite a neofeudal way. Peer-to-peer networks affected both the big names of music industry and the glorious underground, *both*. The digital made the music scene more competitive and polarised, only few names can survive a market with no more sales of records. The outcome scenario is an opposition between the few stars selected by media corporations and a multitude of musicians forced to a local economy of concerts, to a performance-based economy. This pyramid is quite polarised, clearly more squeezed in the middle than a decade ago.

8. Digital neofeudalism: Or, the crisis of the cognitive middle-class. We talk often of the crisis of the *industrial working class* as a political identity. But what is in front of our eyes today is specifically the crisis of the *cognitive middle class*.

There is an interesting world in the French critical theory discussing cognitive capitalism: *déclassement*, that means 'declassing', scaling down, when a social class moves to a lower position, losing social and economic prestige. In the internet decade we experienced the massive *déclassement* of the *cognitive workers* to *precarious workers*. Neofeudalism is also this disempowerment of the middle players.

9. Digital neofeudalism: Or, the new spaces of rent. This crisis of the social subject of the cognitive middle class actually happened along a transformation of the economic structure — that is of the regime of value production. The dominant business model of cognitive capitalism and also of the internet has shift from *profit* to *rent*. What does it mean this?

To be schematic we can say that profit is the income made selling commodities, rent is the income made by a monopolistic exploitation of spaces. In feudal times, it was the exploitation of land cultivated by farmers, in the internet age it's the exploitation of the immaterial spaces cultivated by cultural producers, prosumers and the notorious Free Culture.

'Rent is the new profit' state some political philosophers and economists like Carlo Vercellone, Christian Marazzi and Toni Negri. Rent is also the typical economic model of the so called FIRE economy: from Finance, Insurance, and Real Estate. It's typical of cities like New York and its results are in front of our eyes as the recent financial crisis. Rent is also typical of the new Russian and Arab oligarchies of oil: exploitation on vast lands rich of natural resources.

The internet, similarly to the geopolitical scenario, is becoming the matrix of a new feudal system. Few barons, multitudes of freelancers. So maybe, instead of liquid democracy, we should talk of liquid neofeudalism.

Digital neofeudalism
Network society is not horizontal but polarized

Digital neofeudalism
Or, the crisis of the cognitive middle class

Digital neofeudalism
Or, the new spaces of economic rent

'Digital revolution'
Living knowledge against cognitive rent

10. Networks, multitudes, swarms. My feeling is that terms full of potential like *network*, *multitude* and *swarm* are always neutralised. They are always trapped in a symmetrical system where technology is supposed to mirror society and vice-versa. This is a very dialectical, plain and binary way to describe things.

On the contrary, I prefer to talk about *technical composition* and *political composition*. The internet is mainly a change in the technical composition of labour. We work, communicate and live in this way today. The error is consider this technical organisation as a political organisation in itself. Political composition is something different. A trick of the economic system is to sell its organisation of labour as a comfortable political subject. We can use the internet to get organised but we cannot take that for political organisation.

Are networks pre-existing a political organisation? I don't think so. That was the utopia of the 'short summer of the internet', when we believed that the net could shape society.

Today, the postmodern universe of the internnet closed upon itself in a very premodern fashion. So if we want to understand these liquid democracies, we have to understand this neofeudal space. This is not a cynical reading. It's not a reactive reading *a la* Andrew Keen, for instance. Or the art of complaining of the old world against the new one. My preoccupation is just: how we can break the aquarium of the liquid democracies?

11. Conclusion: Challenging the laws of value. Democracy is not simply a matter of freedom of expression but also of wealth redistribution. We should not be interested in any form of self-organisation, Free Culture or liquid democracy, that would not affect the level of value production. Today we have plenty of books about knowledge economy and creative economy as source of economic development. The internet in particular is celebrated as the temple of the collective intelligence and virtuous processes of gift economy that are supposed to transform society in a more democratic way. All these models celebrate a separate immaterial sphere supposed to escape the gravity of market forces, or the laws of value accumulation.

Are all these models, the creative economy and the digital culture challenging the dominant production, extraction and accumulation of value? I don't think contemporary activism is today really concerned about this.

12. Conclusion: The political force of living knowledge. The internet is indeed a huge production of information, data, knowledge. Will this surplus of knowledge, of living culture, change the current system of value simply by growing autonomously? Is there any revolutionary potential in this surplus of knowledge? When does the excess of knowledge produce a political rupture? In my view, only when this excess of knowledge challenge the new landlords of rent we can imagine a step towards democracy.

When and how did the *Ancien Régime* of feudalism end? Symbolically, with the French revolution: when the middle class made an alliance with the farmer and working class to establish a modern democracy. We know it was not a painless process. Is there any social subject — *online* or *offline* — eager to destroy today the monopolies of cognitive rent?