



Extended Abstract

Monetary Compensation for Free Labor?: Micropayment or Basic Income

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Introduction

This paper examines the nature of ‘free labor’ (Terranova, 2004) and its compensation in today’s cognitive capitalism. (Boutang, 2011) Specifically, it tries to show how free labor involves into not only the generation of immaterial goods such as knowledge, information, culture, communication, relationship, and brand but also the production of various categories of material goods including motor cycles, medicines, musical instruments, and so on. In so doing, this paper explores how free labor of networked populations has been increasingly externalizing capital’s management function from production processes and thus reinforcing the ‘becoming rent of capital’. (Vercellone, 2008) In addition, it enquires into the exploitation of free labor in conjunction with the notion of the voluntariness of labor and the immaterial compensation (e.g., reputation or peer recognition) that could be considered as major discursive resources for the reproduction of cognitive capitalism. Furthermore, by examining various strategies coping with the gratuitous dynamics of immaterial products facilitated by contemporary digital networking environments, this article tries to seek for a fair way to compensate for the free cognitive and affective labor.

First, contents-vectorialists of music and film industries employ the legal device of ‘Digital Rights Management (DRM)’ as a way to secure their profits. And thus, they are strengthening rent-seeking economy and constraining various forms of the long-standing cultural practices among populations. Second, ‘Micropayment System’ is often regarded as a market-friendly solution to the gratuitous dynamics of digital labor by contents-vectorialists of journalism and publishing, many platform-vectorialists, and some libertarian consumer groups. Third, the concept of ‘Universal Basic Income’

could be an effective social policy for the proper compensation for free labor in the sense that it extends the logic of social and common nature of production to the sphere of distribution.

Background and Discussion

Even though free labor in digital networks may not necessarily be unavoidable (Andrejevic, 2009), it still remains as an enforced labor in the sense that agreements of users on the terms of use set up by platform providers may be interpreted as a form of socially embedded enforcement. Furthermore, products of free labor are mostly put under a platform-vectoralists' disposal. Similar to a contract of wage labor, users' agreement on the terms of use enables platform providers to take a whole control over products of free labor. Indeed, private appropriation of social and common products of unpaid labor became a key object of exploitation in cognitive capitalism. So, here come two main reasons to think about a material compensation for free labor. First, even though much of free labor is not only performed by immaterial motivations such as a pursuit of technical perfection, an acquirement of reputational capital, and the spread of commonism but also compensated in an immaterial manner, it is far from the socio-economic norm of a fair distribution of wealth that platform-vectoralists appropriate the value created by free labor as a form of rent. Second, it is much more necessary to compensate for free labor in a material manner so as to secure the sustainability of cognitive capitalism itself that strives to retain sources of capital accumulation from the creative and innovative free labor among networked populations.

The private appropriation of free labor has long been pursued by contents-vectoralists with an ownership of intellectual property rights and DRM might be deemed to be the most recent technological device for that purpose. DRM is mainly led by contents-vectoralists such as Disney, Warner Brothers, EMI, Microsoft, and Amazon and supported by major manufacturers of electronics including Sony, Samsung, Apple, IBM, Panasonic, and so on. Although contents-vectoralists have been trying to limit networked populations' free access to ideas and information by introducing DRM, this privatization of digital commons may result in the blocking of creativity and innovation that are vital to the reproduction of cognitive capitalism.

With regard to the notion of 'Micropayment System', some argue for charging all information, knowledge, and culture that is shared on the Internet free of charge and Micropayment System often considered as a proper way to compensate monetarily those who contributed to value creation in digital networks. In spite of the past failures of start-ups such as BitPass, FirstVirtual, Cybercoin, Millicent, Digicash, Internet Dollar, and Pay2See, some newspapers actively seek for a building of payment system to each news articles so as to relieve the company's financial burden. New York Times and Financial Times are currently running 'Metered Paywalls' model and many more newspaper capitals are expected to join the track. And 'Google Wallet' seems to providing a new momentum for the spread of Micropayment System. Meanwhile, it constitutes another reason for the idea of Micropayment System that many criticize platform-vectoralists such as Google and Facebook for their monopolization of the profits coming from the use of huge user-generated data on the Internet. Several social network services (e.g. Teckler, Pheed, Datacoup) actually run the business model which get back some of their profit to their users as a form of payment for using their personal data. Even some consumer activists refuse the highly common and idealized concept of 'freedom of information' and 'free information' since it enables, to a great extent, platform-vectoralists with a huge networking

power to use and capture users' value-creating activities free of charge. So, in order to realize information economy in which a new middle-class can emerge, we need, some argue, to renounce the familiar concept of 'free information' and to employ a universal Micropayment System. (Lanier, 2013), However, Micropayment System, on the one hand, must disentangle a very complicate matter of ownership of immaterial goods and, on the other hand, inevitably require the establishment of an highly intensive digital surveillance system. Thus, this market-oriented solution for the compensation could not serve as a viable alternative.

Conclusions

Basic Income, as a way for a social and common compensation, may be able to deal with failures of rent-seeking economy developing in the sphere of culture and information beyond the realm of natural resources. It may also play a significant role in the realization and spread of social value of a common cultural inheritance. The concept of Basic Income is often justified in two different ways. First, all economic wealth and value is generated by social cooperation. That is, the creation of wealth should be considered not in terms of the product of individuals' laboring power but in terms of social bond and cooperation among individuals. Therefore, every individual is deemed to retain the right to acquire wealth from these social and common resources. Second, key elements of production (e.g. tools, technology, and knowledge) belong to a communal cultural tradition and human heritage. So, we are all just cultural inheritors of human community and have to right to receive dividends. These two justifications of Basic Income seem to have a great relevance to today's cognitive capitalism. Its accumulation regime greatly relies upon the production of immaterial goods such as information, knowledge, and culture and its mode of production increasingly focuses on cooperation among networked populations. Furthermore, given the increasing flexibilization of employment relationships and differentiation between internal and external labor markets, universal Basic Income may play a crucial role in relieving the instability of cognitive capitalism.

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