The Political Economy of Privacy on Facebook

Christian Fuchs

Abstract

This article provides an analysis of the political economy of privacy and surveillance on Facebook. The concepts of socialist privacy and socialist internet privacy are advanced here. Capital accumulation on Facebook is based on the commodification of users and their data. One can in this context speak, based on Dallas Smythe, of the exploitation of the internet prosumer commodity. Aspects of a socialist internet privacy strategy are outlined and it is shown how they can be applied to social networking sites.

Keywords

capitalism, critical political economy of media and communication, new media, critical media studies, class, advertising on new media, internet studies

Introduction

Facebook ranks number two in the list of the most accessed websites in the world (data source: alexa.com, accessed on May 28, 2011): 43.3 percent of the world's internet users have accessed Facebook in the three-month period from August 17 to November 17, 2011. Given the fact that Facebook is a tremendously successful project, it is an important research task to critically analyze the economic structures and the power relations of the platform.

In this essay, I analyze the political economy of privacy and surveillance on Facebook, which means that the task is to show how privacy on Facebook is connected to surplus value, exploitation, and class (Dussel 2008, 77; Negri 1991, 74). As a foundation for this discussion, the notion of privacy is briefly discussed in the next section. Then, the political economy of privacy on Facebook is analyzed. Potential alternatives

Corresponding Author:

Christian Fuchs, Uppsala University, Department of Informatics and Media Studies, Kyrkogårdsgatan 10, Box 513, Uppsala 751 20, Sweden Email: christian.fuchs@im.uu.se

¹Uppsala University, Uppsala, Sweden

and elements of a socialist privacy strategy are identified in the following section. Some conclusions are drawn in the last section.

Beyond the Liberal Concept of Privacy

Definitions of informational privacy commonly deal with moral questions of how information about humans should be processed, who shall have access to the data, and how this access shall be regulated (Tavani 2008). They also share the conviction that some form of data protection is needed. Etzioni (1999) stresses that it is a typical American liberal belief that strengthening privacy can cause no harm. He also holds that privacy can undermine common goods (e.g., public safety, public health).

Countries like Switzerland, Liechtenstein, Monaco, or Austria have a tradition of relative anonymity for bank accounts and transactions. Money as private property is seen as an aspect of privacy, which means that financial information tends to be kept secret and withheld from the public. In Switzerland, the bank's secret is outlined in the Federal Banking Act (§47). The Swiss Bankers Association sees bank anonymity as a form of "financial privacy" that needs to be protected and speaks of "privacy in relation to financial income and assets." In many countries, information about income and the profits of companies (except for public companies) is treated as a secret, a form of financial privacy. The problem of secret bank accounts/transactions and the nontransparency of wealth and company profits is not only that financial privacy can support tax evasion, black market affairs, and money laundering, but also that it hides wealth gaps. Financial privacy reflects the classical liberal account of privacy. So, for example, John Stuart Mill formulated the right of the propertied class to economic privacy as "the owner's privacy against invasion" (Mill 1965, 232). Economic privacy under capitalism (the right to keep information about income, profits, and bank transactions secret) protects companies and the wealthy. The anonymity of wealth, high incomes, and profits makes income and wealth gaps between the rich and the poor invisible and thereby ideologically helps legitimate and uphold these gaps. Financial privacy is an ideological mechanism that helps reproduce and deepen inequality. Karl Marx, who positioned privacy in relation to private property, first formulated the critique of the liberal conception of privacy. The liberal conception of the private individual and privacy would see man as "an isolated monad, withdrawn into himself. . . . The practical application of the right of liberty is the right of private property" (Marx 1843b, 235). Modern society's constitution would be the "constitution of private property" (Marx 1843a, 166). Tännsjö (2010) stresses that liberal privacy implies "that one can not only own one self and personal things, but also the means of production" and that the consequence is "a very closed society, clogged because of the idea of a business secret, bank privacy, etc." (Tännsjö 2010, 186; translation from Swedish by the author).

It would nonetheless be a mistake if we were to fully cancel privacy rights and dismiss them as bourgeois values. Liberal privacy discourse is highly individualistic; it is always focused on the individual and his or her freedoms. It separates the

public and the private sphere. Privacy under capitalism can best be characterized as an antagonistic value that is, on the one hand, upheld as a universal value for protecting private property, but is, on the other hand, permanently undermined by corporate and state surveillance into human lives for the purpose of capital accumulation. Capitalism protects privacy for the rich and companies, but, at the same time, legitimates violations of consumers' and citizens' privacy. Liberal privacy values have their limit and find their immanent critique within the reality of liberal-capitalist societies.

When discussing privacy on Facebook, we should therefore go beyond a bourgeois notion of Facebook and try to advance a socialist concept of privacy that aims at strengthening the protection of consumers and citizens from corporate surveillance and other forms of domination. Economic privacy should be posited as undesirable in those cases, in which it protects the rich and capital from public accountability, but as desirable, in which it tries to protect citizens, workers, and consumers from corporate surveillance. Public surveillance of the income of the rich and of companies as well as public mechanisms that make their wealth transparent are desirable for making wealth and income gaps in capitalism visible. Such an approach includes privacy protection from corporate surveillance. In a socialist conception of privacy, the existing privacy values have to be reversed.

Today privacy laws and surveillance of the poor, workers, consumers, everyday citizens, protects private property; in contrast to this reality, a socialist conception of privacy focuses on surveillance of capital and the rich in order to increase transparency and privacy protections for consumers and workers. A socialist conception of privacy conceives privacy as a collective right of exploited groups that need protection from corporate domination that uses data gathering for accumulating capital, for disciplining workers and consumers, and for increasing the productivity of capitalist production and advertising. The liberal conception of privacy (and its reality) as an individual right within capitalism protects the rich and their accumulation of more wealth from public knowledge. A socialist conception of privacy as a collective right of workers and consumers can protect humans from the misuse of their data by companies.

The questions therefore are: For whom should privacy be guaranteed, and for whom not? What type of privacy should we struggle for on Facebook? Privacy for dominant groups and the secrecy of their wealth and power is problematic, but privacy at the bottom of the power pyramid for consumers, workers, and normal citizens is a protection from dominant interests. Privacy rights should therefore be differentiated according to the position people and groups occupy in the power structure. In relation to Facebook, this means that the main privacy issue is not how much information users make available to the public, but rather: which user-data are used by Facebook for advertising purposes; in which sense users are exploited in this process; and how users can be protected from the negative consequences of economic surveillance on Facebook.

Helen Nissenbaum (2010) argues that one should go beyond the control theory and the access theory of privacy to consider privacy as contextual integrity. Contextual integrity is a heuristic that analyzes changes of information processes in specific contexts and flags departures from entrenched privacy practices as violations of contextual integrity. One then analyzes if these new practices have moral superiority and if the privacy violation is therefore morally legitimate (Nissenbaum 2010, 164, 182f). Nissenbaum mentions education, health care, psychoanalysis, voting, employment, the legal system, religion, family, and the marketplace as relevant contexts (Nissenbaum 2010, 130, 169-79). Contextual privacy is "preserved when informational norms are respected and violated when informational norms are breached. . . . [W]hether or not control is appropriate depends on the context, the types of information, the subject, sender, and recipient" (Nissenbaum 2010, 140, 148). In relation to the economy, the concept of contextual integrity helps us understand that privacy plays a different role in a context like friendship than in an employment relationship. Sharing information about very personal details of your life (like intimacy, sexuality, health, etc.) with a partner or close friends must be judged with different norms than the sharing of the same information with a boss. Whereas the former relationship is based on close affinity, trust, and feelings of belonging together, the latter is based on an economic power relationship. Differentiated values are therefore needed for assessing privacy in both contexts.

The socialist conception of privacy is a specific contextualization of privacy within the economic context—in this case, a double contextualization of privacy. On one hand, it takes into account the power relationships of the economy. On the other hand, it must take into account class relationships in the context of the modern economy, in other words, the asymmetric power structure of the capitalist economy, through which employers and companies have the power to determine and control many aspects of the lives of workers and consumers. Given the power of companies in a capitalist economy, economic privacy needs to be contextualized in a way that protects consumers and workers from capitalist control, and makes corporate interests and corporate power visible. For privacy on Facebook, this means that Facebook should reveal what data the platform stores about its users, and users should be protected from Facebook's economic exploitation of their data. This requires a differentiated concept of economic privacy which distinguishes the roles of consumers, workers, and companies in a capitalist economy.

Mainstream research about Facebook and social networking sites in general engages in privacy fetishism by focusing on information disclosures by users (for a critique of such studies see: Fuchs 2009b, chapter 3). These studies consider privacy threatened because users would disclose too much information about themselves. They stress the associated risks of disclosures. They conceive privacy strictly as an individual phenomenon that can be protected if users behave in the correct way and do not disclose too much information. The moralistic tone in these studies ignores how Facebook commodifies data and exploits users as well as the societal needs and desires underpinning information sharing on Facebook. As a result, this discourse is individualistic and ideological. It focuses on the analysis of individual behaviors without seeing and analyzing how these behaviors are conditioned by societal contexts of

information technologies, such as surveillance, the global war against terror, corporate interests, neoliberalism, and capitalist development.

These contexts make it incumbent for Critical Internet Studies to analyze Facebook privacy in the context of the political economy of capitalism.

The Political Economy of Facebook

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, labor autonomy, local production, and autonomous self-production. But he overlooks that prosumption is used for outsourcing work to users and consumers, who work without pay. In this model, corporations reduce their investment costs and labor costs, destroy jobs, and exploit consumers who work for free. Free labor produces surplus value that is appropriated and turned into corporate profit. Notwithstanding Toffler's uncritical optimism, his notion of the "prosumer" describes important changes in media structures and practices that can therefore be adopted through critical studies.

It becomes ever more frequent that users or observers of Facebook argue that it exploits them by making profit with the help of their data. The concept of exploitation is frequently not explained and clarified in such circumstances. Marx (1867) provided the best and most important explanation of exploitation in capitalism. To understand how exploitation through Facebook works and to avoid simply moral appeals with a critique that is analytically grounded, it is necessary to go into some details of Marxist political economy.

Figure 1 shows the process of capital accumulation on Facebook. Facebook invests money (M) for buying capital: technologies (server space, computers, organizational infrastructure, etc.) and labor power (paid Facebook employees). These are the constant capital (c) and the variable capital (v_1) outlays. The outcome of the production process P_1 is not a commodity that is directly sold, but rather social media services (the Facebook platform) that are made available free to users. The Facebook employees, who create the online environment that is accessed by Facebook users, produce part of the surplus value. The Facebook users make use of the platform for generating content when they upload their own data. The constant and variable capital invested by Facebook (c, v_i) and that is objectified in their online environment are the prerequisites for their activities in the production process P_2 . Their products include user-generated data, personal data, and transaction data about browsing and communication behaviors on Facebook. Users invest a certain labor time v_2 in this process. Facebook sells the users' data commodity to advertising clients at a price that is larger than the invested constant and variable capital. The surplus value contained in this commodity is partly created by the users, partly by the Facebook employees. The difference is that the users are unpaid, and therefore infinitely exploited. Once the internet prosumer commodity (which contains the user-generated content, transaction data, and the right

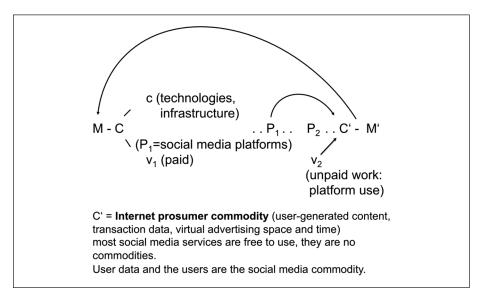


Figure 1. Capital accumulation on Facebook

to access virtual advertising space and time) is sold to advertising clients, the commodity is transformed into monetary capital and surplus value is realized into money. For Marx (1867), the profit rate is the relation of profit to investment costs:

$$p = s/(c + v)$$
 = surplus value / [constant capital (=fixed costs) + variable capital (=wages)].

If internet users become productive web 2.0 prosumers, then in terms of Marxist class theory, this means they become productive laborers who are exploited by capital because, for Marx, productive labor generates surplus value. Therefore, in the case of Facebook, the exploitation of surplus value is not merely accomplished by those who are employed for programming, updating, and maintaining the soft- and hardware, performing marketing activities, and so on, but by the users and prosumers that engage in the production of user-generated content. New media corporations do not (or hardly) pay users for the production of content. A widely-used accumulation strategy is to give the users free access to services and platforms, let them produce content, and to accumulate a mass of prosumers that are sold as a commodity to third-party advertisers. No product is sold to the users; the users are sold as a commodity to advertisers. The more users a platform claims, the higher the advertising rates. The productive labor time that is exploited by capital involves, on one hand, the labor time of paid employees, and, on the other hand, all of the time spent online by users. New media corporations pay salaries for the first type of information labor, but not for the second

type. There are neither variable nor constant investment costs. The formula for the profit rate needs to be transformed for this accumulation strategy:

$$p = s/(c + v_1 + v_2),$$

where s is the surplus value; c, constant capital; v_1 , wages paid to fixed employees; and v_2 , wages paid to users.

Typically, $v_2 \rightarrow 0$ and v_2 substitutes v_1 . If paid employees carried out the production of content and the time spent online, then the variable costs would rise and profits would decrease. This shows that prosumer activity in a capitalist society can be interpreted as the outsourcing of productive labor to users, who work for free and help maximize the rate of exploitation (e = s/v, i.e., surplus value/variable capital), raising new media capital. This situation is one of infinite exploitation of the users. Capitalist prosumption is an extreme form of exploitation, in which the prosumers work completely for free.

What does it mean that Facebook prosumers work for free and are exploited? Adam is a thirteen-year-old pupil and heavy Facebook user. He has two thousand Facebook friends, writes fifty wall postings a day, interacts with at least forty of his close contacts and colleagues over Facebook a day, updates his status at least ten times a day, and uploads annotated videos and weekend photos, often showing him with his girl-friend in the countryside. Yet there is one thing that puzzles him. The advertising at the right-hand side of his profile frequently relate to what he has done last weekend or what he intends to do next weekend. Adam wonders how this happens and feels uneasy about the fact that his personal data obviously serves inscrutable economic ends that he cannot control in terms of which personal data and usage behaviors are stored, assessed, or sold. The answer to Adam's dilemma is that Facebook closely monitors all of his contacts, communication, and data, selling this information to companies, which then send targeted advertisements to him. Facebook thus profits and could not exist without the unpaid labor that Adam and millions of his fellow Facebook workers conduct. Adam is the prototypical Facebook child worker.

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; see also Smythe 1977).

Smythe's audience commodity hypothesis has resulted in sustained debates (see, e.g., Murdock 1978; Smythe 1978; Livant 1979; Jhally and Livant 1986; Jhally 1987; Meehan 1993; Bolin 2005, 2009; Hearn 2010; Manzerolle 2010; Hesmondhalgh 2010; Lee 2011), including a critique by Jhally and Livant (1986) that watching time is the commodity, not the audience. Both Jhally/Livant's approach (Andrejevic 2002) and Smythe's approach (Fuchs 2009a, 2010a, 2010c, 2011b) remain important today

for discussing commodification on the internet because they share a focus on commodification and exploitation.

With the rise of user-generated content, open access social networking platforms, and other ad-based platforms, the web seems to approach TV or radio in their accumulation strategies. 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 for traditional mass media and for the internet is that, in the latter case, the users are also content producers who engage in permanent creative activity, communication, community building, and content-production. In the case of Facebook, the audience commodity is an internet prosumer commodity.

Surveillance of Facebook prosumers occurs via corporate web platform operators and third-party advertising clients, which continuously monitor and record personal data and online activities. Facebook surveillance creates detailed user profiles so that advertising clients know and can target the personal interests and online behaviors of the users. Facebook sells its prosumers as a commodity to advertising clients; their exchange value is based on permanently produced use values, that is, personal data and interactions.

Facebook prosumers are double objects of commodification. They are first commodified by corporate platform operators, who sell them to advertising clients, and this results, second, in an intensified exposure to commodity logic. They are permanently exposed to commodity propaganda presented by advertisements while they are online. Most online time is advertising time.

The labor side of the capital accumulation strategy of social media corporations is digital playbour. Kücklich (2005) first introduced the term *playbour* (play + labour), while conferences such as "Digital Labour: Workers, Authors, Citizens" (University of Western Ontario 2009) and "The Internet as Playground and Factory" (New School 2009) have helped advance the discourse about digital playbour. The exploitation of digital playbour is based on the collapse of the distinction between work time and play time. In the Fordist mode of capitalist production, work time was the time of pain, repression, and a surplus repression of the human drive for pleasure, whereas leisure time was the time of Eros (Marcuse 1955). In contemporary capitalism, play and labor, Eros and Thanatos, the pleasure principle and the death drive partially converge in that workers are expected to have fun during work time and play time becomes productive and work-like. Play time and work time intersect and all human time of existence tends to be exploited for the sake of capital accumulation. The exploitation of Facebook labor is one expression of these changes in capitalist production and the corresponding transformation of the structure of drives.

Arendt (1958) and Habermas (1989) stress that capitalism has traditionally been based on a separation of the private and the public sphere. Facebook is a typical manifestation of a stage of capitalism in which the relation of the public and the private as well as labor and play collapse, and in which capital exploits this collapse. "The distinction between the private and the public realms . . . equals the distinction between

things that should be shown and things that should not be hidden" (Arendt 1958, 72). On Facebook, the corporation collects all private data and user behavior and commodifies both, while hiding these processes from the users. So the main form of privacy on Facebook is the opacity of capital's use of personal user data based on its private appropriation. The private user dimension of Facebook is that content is usergenerated by individuals. When the content is uploaded to Facebook or other social media, parts of it (depending on the privacy settings the users choose) become available to many people, giving the data a more public character. The public availability of data can both have advantages (new social relations, friendships, staying in touch with friends, family, and relatives over distance, etc.) and disadvantages (job-related discrimination, stalking, etc.) for users (Fuchs 2009b, 2010b, 2010d).

The private–public relationship has another dimension on Facebook. Privately-generated user data and individual user behaviors become commodified. Both types of data are sold to advertising companies to target users and thus generate more private revenues for Facebook. Facebook commodifies private data that is used for public communication in order to accumulate capital that is privately-owned. The users are excluded from the ownership of the resulting monetary capital, i.e. they are exploited by Facebook and are not paid for their creation of surplus value (Fuchs 2010a). Facebook is a huge advertising-, capital accumulation-, and user-exploitation-machine. Data surveillance is the means for Facebook's economic ends. Facebook permanently monitors users for economic ends, which means that no economic privacy is guaranteed to them. Since it remains unknown to users what specific information and data contributes to targeted advertising, they cannot control their data use or protect themselves from its commodification.

The use of targeted advertising and economic surveillance is legally guaranteed by Facebook's privacy policy (Facebook privacy policy, version from December 22, 2010, http://www.facebook.com/policy.php, accessed on May 29, 2011). Facebook's privacy policy is a typical expression of a self-regulatory privacy regime, in which businesses define their own personal user data processes. In general, U.S. data protection laws cover government databanks, leaving commercial surveillance untouched in order to maximize its profitability (Ess 2009, 56; Lyon 1994, 15; Rule 2007, 97; Zureik 2010, 351). Facebook's terms of use and its privacy policy are characteristic for this form of self-regulation. When privacy regulation is voluntary, the number of organizations protecting the privacy of consumers tends to be very small (Bennett and Raab 2006, 171).

Socialist Privacy Ideals and Social Networking

I argue in this article that we must question privacy concepts that protect secret capitalist interests and socioeconomic inequality. This means that the liberal conception of privacy should be challenged by a socialist one that protects workers and consumers. On Facebook, the "audience" is a worker/consumer—a prosumer. What could socialist privacy protection policies on Facebook look like? One basic insight here is that

the protection of consumers', prosumers' and workers' privacy can only be achieved in an economy that is not ruled by profit interests, but is controlled and managed by prosumers, consumers, and producers, thereby ending the need for privacy rules that protect us from domination. If there were no profit motive on internet platforms, then there would be no need to commodify the data and behaviors of internet users. Achieving such a situation is not primarily a technological task, but one that requires changes in society.

True privacy of consumers, workers, and prosumers is only possible in a participatory democracy. There are today many claims that the internet has become "participatory" with the emergence of "social media" and "web 2.0." Henry Jenkins argues that with the emergence of a convergence culture, "the Web has become a site of consumer participation" (Jenkins 2008, 137). Axel Bruns (2008, 227f) writes that Flickr, YouTube, MySpace, and Facebook are environments of "public participation." Such accounts do not take into account the socialistic origins of the concept of participatory democracy.

Staughton Lynd (1965) introduced the notion of participatory democracy into the academic debate when he used the term to describe the organizing principles of the Students for a Democratic Society. Held (1996, 271) says that a key feature of participatory democracy is the "direct participation of citizens in the regulation of the key institutions of society, including the workplace and local community." The two most important participatory democracy theorists are Crawford Brough Macpherson (1973) and Carole Pateman (1970), both socialist thinkers. Participatory democracy means that "democratic rights need to be extended from the state to the economic enterprise and the other central organizations of society" (Held 1996, 268). Some of the central principles of participatory democracy are the following (for a full discussion, see Fuchs 2011b, chapter 7):

- The intensification and extension of democracy into all realms of life, not just the political systems. All realms of life—including the economy—are considered systems of power that require democracy in order to be just.
- 2. Developmental powers are the essence of man and the maximization of humanity. Man's essence here is understood as consisting of a number of positive capacities (development powers, such as cooperation, sociality, emotional activities, etc.) that, depending on the power structures of society, can be developed to certain extents.
- 3. Extractive power is an impediment for participatory democracy. Macpherson argues that capitalism is based on an exploitation of human powers that limits the development of human capacities because the modern economy "by its very nature compels a continual net transfer of part of the power of some men to others [for the benefit and the enjoyment of the others], thus diminishing rather than maximizing the equal individual freedom to use and develop one's natural capacities" (Macpherson 1973, 10f).

4. A central aspect of a participatory democracy is a democratic economy, which 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" (73). Pateman (1970) terms the grassroots organization of firms and the economy in a participatory democracy "self-management." A self-managed economy does not consist of classes, and there is no need for one class to control and monitor the activities of another class in order to protect and maintain its hegemony. Therefore there is no need to violate economic privacy. Social networking sites and other internet platforms need to be controlled by the users themselves and organized within the framework of a participatory economy in order to be sensitive to the economic privacy of users.

The overall goal of socialist internet privacy politics is to drive back the commodification of user-data and the exploitation of prosumers by advancing the decommodification of the internet. Three strategies for achieving this goal are the advancement of opt-in online advertising, the civil society surveillance of internet companies, and the establishment and support of alternative platforms.

Opt-In Privacy Policies

Gandy argues that an alternative to opt-out solutions for targeted advertising are opt-in solutions that are based on the informed consent of consumers. When individuals "wish information or an information-based service, they will seek it out. It is not unreasonable to assume that individuals would be the best judge of when they are the most interested and therefore most receptive to information of a particular kind. Others with information to provide ought to assume that, unless requested, no information is desired. This would be the positive option. Through a variety of means, individuals would provide a positive indication that yes, I want to learn, hear, see more about this subject at this time. "Individuals should be free to choose when they are ready to enter the market for information" (Gandy 1993, 220). "The value in the positive option is its preservation of the individual's right to choose" (Gandy 1993, 221). Culnan and Bies (2003) argue that opt-in is a form of procedural justice and a fair information practice.

Opt-in privacy policies are typically favoured by consumer and data protectionists, whereas companies and marketing associations prefer opt-out and self-regulation advertising policies in order to maximize profit (Bellman et al. 2004; Federal Trade Commission 2000; Gandy 1993; Quinn 2006; Ryker et al. 2002; Starke-Meyerring and Gurak 2007). 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 they would likely reduce the actual amount of surveilled and commodified user data significantly,

resulting 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 toward strengthening the economic privacy of users.

Corporate Watch-Platforms as Form of Struggle against Corporate Domination

To circumvent the large-scale surveillance of consumers, producers, and consumer-producers, movements and protests against economic surveillance are necessary. Karatani (2005) argues that consumption is the only space in capitalism where workers become subjects that can exert pressure through boycotts. I do not think that this is correct because strikes also show the subject position of workers to boycott production, causing financial harm to capital and exerting 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. The fact that in the contemporary media landscape, media consumers become media producers who work and create surplus value shows the important 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 actualization of a movement of "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 operations of corporations and document these mechanisms and instances, in which 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 behavior. It can help to watch the watchers and to raise public awareness.

In recent years, corporate-watch organizations that run online platforms have emerged.⁴ Transnationale Ethical Rating aims at informing consumers and research about corporations. Its ratings include quantitative and qualitative data about violations of labor rights and human rights, employee layoffs, profits, sales, earnings of CEOs, boards, president and managers, financial off-shore operations, financial delinquency, environmental pollution, corporate corruption, and dubious communication practices. Dubious communication practices include an "arguable partnership, deceptive advertising, disinformation, commercial invasion, spying, mishandling of private data, biopiracy and appropriation of public knowledge" (http://www.transnationale.org/aide.php, accessed on March 21, 2011). The topics of economic privacy and surveillance are here part of a project that wants to document *corporate social irresponsibility*. Privacy is not the only issue addressed here, but corporate watch platforms can be situated in the larger political-economic context of corporate social irresponsibility (the counterpart of the CSR ideology).

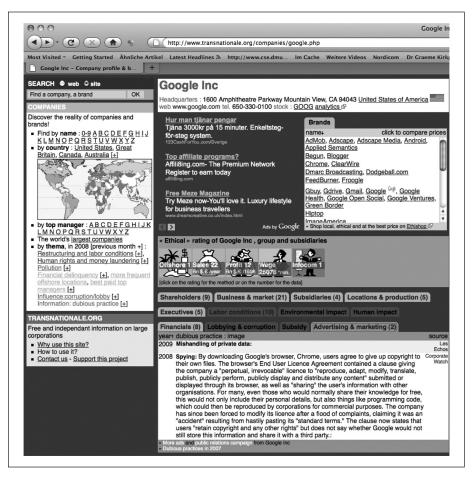


Figure 2. An example page about Google from transnationale.org

Figure 2 shows as example Transnationale Ethical Rating's entry for Google. The "infocom" violations include "spying." It reads: "By downloading Google's browser, Chrome, users agree to give up copyright to their own files" (http://www.transnationale.org/companies/google.php, accessed on March 21, 2011). On the one hand, it is important to document and gather data about the corporate irresponsibility of internet corporations. On the other hand, it looks like these data are not complete and few internet corporations are included. One could, for example, also document Google's target advertising practices. Google owns and operates DoubleClick, an advertising server that collects and sells data about use behaviors on different platforms (for a discussion of Google's political economy of privacy and surveillance, see Fuchs 2011a). By using Google, the users agree that data about their use behaviors on other sites can be collected: "Google uses the DoubleClick advertising cookie on AdSense

partner sites and certain Google services to help advertisers and publishers serve and manage ads across the web" (Google Privacy Policy, http://www.google.com/intl/en/privacy/privacy-policy.html, accessed on March 21, 2011). This practice is highly opaque to users, leaving it unclear to the individual user exactly which data about her or him are stored and commodified. In any case, more efforts are required in order to advance the documentation of corporate social irresponsibility among internet corporations and to contextualize privacy violations within the process of watching the watchers.

There is a difference between the surveillance of prosumers by internet corporations and the process of watching corporate watchdogs. The former process involves data collection about users as part of the attempt to exploit users, thereby deepening the power of one class at the expense of another one. Corporate watch platforms, however, are attempts by those resisting asymmetric economic power relations by documenting data to make economic power more transparent. Prosumers and their data can only be made visible, but not transparent. There is a difference between a surveillance of visibility over oppressed groups, which attempts to control and further oppress them, and attempts to make powerful interests transparent, which acts as a self-defense mechanism and a form of struggle against oppression. "Surveillance' suggests the operation of authority, while 'transparency' suggests the operation of democracy, of the powerful being held accountable" (Johnson and Wayland 2010, 25). Johnson and Wayland (2010) point out that the notion of transparency should be used in relation to economic and political power.

WikiLeaks is also a mechanism that tries to make power transparent by leaking secret documents about political and economic power (for an analysis of how WikiLeaks relates to political economy, surveillance, journalism, and power see Fuchs 2011c). WikiLeaks does not itself engage in collecting information about the powerful, but relies on anonymous online submissions by insiders, who realize wrongdoings of institutions and want to reveal what is actually happening. WikiLeaks focuses on both political and economic transparency: "Publishing improves transparency, and this transparency creates a better society for all people. Better scrutiny leads to reduced corruption and stronger democracies in all society's institutions, including government, corporations and other organisations. A healthy, vibrant and inquisitive journalistic media plays a vital role in achieving these goals. We are part of that media" (About WikiLeaks, http://213.251.145.96/About.html, accessed on March 24, 2011). Given its practices of leaking information up until now, there seems to be more focus on WikiLeaks' revelations towards governmental transparency than towards corporate transparency. "Authoritarian governments, oppressive institutions and corrupt corporations should be subject to the pressure, not merely of international diplomacy, freedom of information laws or even periodic elections, but of something far stronger—the consciences of the people within them" (About WikiLeaks, http://213.251.145.96/About.html, accessed on March 24, 2011). The question that arises from this statement is if only the power of corporations considered "corrupt" should be made transparent, or if their more important, frequent and scandalous

capital accumulation and exploitation activities are reasons enough for surveillance. Corruption is itself a liberal concept; exploitation is a socialist one. The power of all corporations should be made transparent. WikiLeaks and corporate watch platforms have in common that they are both internet projects that try to make powerful structures transparent as part of the struggle against powerful institutions.

There are no easy solutions to civil rights limitations due to electronic surveillance. Opting out of existing advertising options is not a solution to the problem of economic and political surveillance. Even if users opt out, media corporations will continue to collect, assess and sell personal data, to sell the users as an audience commodity to advertising clients, and to give personal data to the police. To try to advance critical awareness and to surveil corporate and political surveyors are important political moves for guaranteeing civil rights. Yet these efforts will ultimately fail if we do not recognize that electronic surveillance is not an issue to be solved by technological means or by different individual behaviors, but only through societal changes. Therefore the topic of electronic surveillance should be situated in the public debate in the context of larger societal problems.

Alternative Internet platforms

A third strategy of socialist privacy politics is to establish and support noncommercial, nonprofit internet platforms. It is not impossible to create successful nonprofit internet platforms, as the example of Wikipedia, which is advertising-free, open access, and donor financed, shows. Diaspora is the best-known alternative social networking site that has developed an open-source alternative to Facebook. It is a project created by four New York University students, Dan Grippi, Maxwell Salzberg, Raphael Sofaer, and Ilya Zhitomirskiy. Diaspora defines itself as "privacy-aware, personally controlled, do-it-all, open source" (http://www.joindisaspora.com, accessed on November 11, 2010). It is not funded by advertising, but by donations. Three design principles of Diaspora are choice, ownership, and simplicity: "Choice: Diaspora lets you sort your connections into groups called aspects. Unique to Diaspora, aspects ensure that your photos, stories, and jokes are shared only with the people you intend. Ownership: You own your pictures, and you shouldn't have to give that up just to share them. You maintain ownership of everything you share on Diaspora, giving you full control over how it's distributed. Simplicity: Diaspora makes sharing clean and easy – and this goes for privacy too. Inherently private, Diaspora doesn't make you wade through pages of settings and options just to keep your profile secure" (http://www.joindisaspora.com, accessed on March 21, 2011).

The Diaspora team is critical of the control of personal data by corporations. It describes Facebook as "spying for free" and the activities of Facebook and other corporate internet platforms in the following way. Salzberg opined, "When you give up that data, you're giving it up forever. . . . The value they give us is negligible in the scale of what they are doing, and what we are giving up is all of our privacy" (http://www.nytimes.com/2010/05/12/nyregion/12about.html). In an online video Zhitomirskiy

added, "For the features that we get on blogs, social networks and social media sites, we sacrifice lots of privacy. . . . The features that we get are not anything special. . . . What will happen . . . when one of these big large companies just goes bust, but has as one of its assets all of your personal data and all of our personal data, our communications, our photos, our comments? . . . They are in power to do what they please with it" (http://vimeo.com/11242604).

The basic idea of Diaspora is to circumvent the corporate mediation of sharing and communication by using decentralized nodes that store data that is shared with friends. Each user has his or her own data node that he or she fully controls.

Diaspora aims to enable users to share data with others, and, at the same time, to protect them from corporate domination by sacrificing their data to corporate purposes in order to communicate and share. Diaspora can therefore be considered as a socialist internet project that practically tries to realize a socialist conception of privacy. The Diaspora team is inspired by the ideas of Eben Moglen, author of the *dotCommunist Manifesto*. He says that an important political goal and possibility today is the "liberation of information from the control of ownership" with the help of networks that are "based on association among peers without hierarchical control, which replaces the coercive system" of capitalist ownership of knowledge and data (Moglen 2003). "In overthrowing the system of private property in ideas, we bring into existence a truly just society, in which the free development of each is the condition for the free development of all" (Moglen 2003).

There are diffuse feelings of discontent with Facebook's privacy practices among many users. These have manifested into groups, such as those against the introduction of Facebook Beacon, news feed, mini-feed, as well as the emergence of the web 2.0 suicide machine (http://suicidemachine.org/), and the organization of a Quit Facebook Day (http://www.quitfacebookday.com/). These activities are mainly based on liberal and Luddite ideologies, but if they were connected to ongoing class struggles against neoliberalism (such as those of students in the aftermath of the new global capitalist crisis and the protests against austerity measures, unemployment and inequality in countries like Greece, Spain, Portugal, etc.) and the commodification of the commons, they could grow in importance. Existing struggles could be connected to the attempts to establish opt-in policies, corporate social media watchdogs, and alternative social media. Another idea for resistance is a campaign that demands that Facebook and all other corporate social media platforms pay a wage to its users. On one hand, such a campaign could create attention for the exploitation of user labor. On the other hand, its goal (a wage paid by corporate social media providers) would be short-sighted if it did not aim to overcome the wage economy and such exploitation. The crisis has created the conditions for new struggles, even though the main reaction in many countries has been a shift toward the right and extreme-right or the rise of hyper-neoliberalism. Besides its strong objective foundations, class struggle from below as part of socialist strategy today is only "latent or manifests itself only in isolated and sporadic phenomena" (Marx 1867, 96).

Conclusion

Facebook founder and CEO Mark Zuckerberg says that Facebook is about the "concept that the world will be better if you share more" (*Wired*, August 2010). Zuckerberg has repeatedly said that he does not care about profit, but wants to help people with Facebook's tools and wants to create an open society. Kevin Colleran, a Facebook advertising sales executive, says in a *Wired* story that "Mark is not motivated by money." In a *New York Times* story,³ Zuckerberg said, "The goal of the company is to help people to share more in order to make the world more open and to help promote understanding between people. The long-term belief is that if we can succeed in this mission then we also [will] be able to build a pretty good business and everyone can be financially rewarded. . . .

The Times: Does money motivate you?

Zuckerberg: No."

If Zuckeberg really does not care about profit, why is Facebook then not a noncommercial platform and why does it use targeted advertising? The problems of targeted advertising are numerous. Targeted advertising aims at controlling and manipulating human needs. Users are normally not asked if they agree to the use of advertising on the internet, but have to agree to advertising if they want to use commercial platforms (signalling a lack of democracy). Targeted advertising can increase market concentration. It is opaque for most users what kind of information about them is used for advertising purposes, and they are not paid for the value creation when uploading data. Surveillance on Facebook is not only an interpersonal process, through which users view data about other individuals that might benefit or harm the latter. It is economic surveillance, that is, the collection, storage, assessment, and commodification of personal data, usage behavior, and user-generated data for economic purposes. Facebook and other web 2.0 platforms are large advertising-based capital accumulation machines that achieve their economic aims by surveillance.

The world will be better if you share more? But a better world for whom is the real question. "Sharing" on Facebook in economic terms means primarily that Facebook "shares" information with advertising clients. And "sharing" is only the euphemism for selling and commodifying data. Facebook commodifies and trades user data and user behavior data. It does not make the world a better place, it makes the world a more commercialized place, a big shopping mall without exit. It makes the world only a better place for companies interested in advertising, not for users.

Facebook's understanding of privacy is property-oriented and individualistic. It reflects the dominant liberal conception of privacy. We need not only a socialist conception of privacy and strategy, but an alternative to Facebook and the corporate internet.

Facebook and Google are only the two best known examples in the contemporary economy that appropriates, expropriates, and exploits common goods (communication, education, knowledge, care, welfare, nature, culture, technology, public transport, housing, etc.) which are created by needed for human survival. A socialist strategy

can try to resist the commodification of the internet and the exploitation of users by claiming the common and participatory character of the internet and with the help of protests, legal measures, alternative projects based on the ideas of free access/content/software and creative commons, wage campaigns, unionization of social media prosumers, boycotts, hacktivism, the creation of public service- and commons-based social media. Internet exploitation is however a topic that is connected to the broader political economy of capitalism. This means that those who are critical of what social media companies like Facebook do with their data, ought to also criticize what contemporary capitalism is doing to humans throughout the world in different forms. If we manage to establish a participatory democracy, then a truly open society (Tännsjö 2010) might become possible, which requires no surveillance and no protection from surveillance.

Acknowledgment

The research presented in this paper was conducted in the project "Social Networking Sites in the Surveillance Society" funded by the Austrian Science Fund (FWF; project no.: P 22445-G17; project coordination: Christian Fuchs).

Declaration of Conflicting Interests

The author declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author disclosed recipt of the following financial support for the research, authorship, and/ or publication of this article: The research presented in this paper was conducted in the project "Social Networking Sites in the Surveillance Society", funded by the Austrian Science Fund (FWF): project number P 22445-G17.

Notes

- 1. http://www.swissbanking.org/en/home/qa-090313.htm, accessed on 09-21-2010.
- http://www.swissbanking.org/en/home/dossier-bankkundengeheimnis/dossier-bankkundengeheimnis-themen-geheimnis.htm, accessed on 09-21-2010.
- Times (October 20, 2008, http://business.timesonline.co.uk/tol/business/industry_sectors/technology/article4974197.ece).
- 4. 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/corp fines.html), Corporate Crime Reporter (http://www.corporatecrimereporter.com), Corporate Europe Observatory (http://www.corporateeurope.org), Corporate Critic Database (http://www.corporatecritic.org).

References

- Andrejevic, Mark. 2002. The work of being watched. *Critical Studies in Media Communication* 19 (2): 230-48.
- Arendt, Hannah. 1958. The human condition, 2nd ed. Chicago: University of Chicago Press.
- Bellman, Steven, Eric J. Johnson, Stephen J. Kobrin, and Gerald L. Lohse. 2004. International differences in information privacy concerns: a global survey of consumers. *Information Society* 20 (5): 313-24.
- Bennett, Colin, and Charles Raab. 2006. *The governance of privacy*. Cambridge, MA: MIT Press.
- Bolin, Göran. 2005. Notes from inside the factory. Social Semiotics 15 (3): 289-306.
- Bolin, Göran. 2009. Symbolic production and value in media industries. *Journal of Cultural Economy* 2 (3): 345-61.
- Bruns, Axel. 2008. *Blogs, Wikipedia, Second Life, and beyond. From production to produsage*. New York: Peter Lang.
- Culnan, Mary J., and Robert J. Bies. 2003. Consumer privacy. Balancing economic and justice considerations. *Journal of Social Issues* 59 (2): 323-42.
- Dussel, Enrique. 2008. The discovery of the category of surplus value. In *Karl Marx's Grundrisse: Foundations of the critique of the political economy 150 years later*, edited by Marcello Musto, 67-78. New York: Routledge.
- Ess, Charles. 2009. Digital media ethics. Cambridge, UK: Polity.
- Etzioni, Amitai. 1999. The limits of privacy. New York: Basic Books.
- Federal Trade Commission. 2000. *Privacy online: fair information practices in the electronic marketplace*. http://www.ftc.gov/reports/privacy2000/privacy2000.pdf.
- Fuchs, Christian. 2009a. Information and communication technologies and society. A contribution to the critique of the political economy of the Internet. *European Journal of Communication* 24 (1): 69-87.
- Fuchs, Christian. 2009b. Social networking sites and the surveillance society. A critical case study of the usage of studiVZ, Facebook, and MySpace by students in Salzburg in the context of electronic surveillance. Salzburg/Vienna: Research Group UTI.
- Fuchs, Christian. 2010a. Labour in informational capitalism. *Information Society* 26 (3): 179-96.
- Fuchs, Christian. 2010b. Social networking sites and complex technology assessment. *International Journal of E-Politics* 1 (3): 19-38.
- Fuchs, Christian. 2010c. Some reflections on Manuel Castells' book "Communication Power." tripleC 7 (1): 94-108.
- Fuchs, Christian. 2010d. studiVZ: social networking sites in the surveillance society. *Ethics and Information Technology* 12 (2): 171-185.
- Fuchs, Christian. 2011a. A contribution to the critique of the political economy of Google. *Fast Capitalism* 8 (1).
- Fuchs, Christian. 2011b. Foundations of critical media and information studies. New York: Routledge.

- Fuchs, Christian. 2011c. The political economy of WikiLeaks: Power 2.0? Surveillance 2.0? Criticism 2.0? Alternative media 2.0? *Global Media Journal Australian Edition* 5 (1).
- Gandy, Oscar H. 1993. The panoptic sort. A political economy of personal information. Boulder, CO: Westview.
- Habermas, Jürgen. 1989. The structural transformation of the public sphere. Cambridge, MA: MIT Press.
- Hearn, Alison. 2010. Reality television, the Hills, and the limits of the immaterial labour thesis. *tripleC* 8 (1): 60-76.
- Held, David. 1996. Models of democracy. Cambridge, UK: Polity.
- Hesmondhalgh, David. 2010. User-generated content, free labour and the cultural industries. *Ephemera* 10 (3/4): 267-84.
- Jenkins, Henry. 2008. Convergence culture. New York: New York University Press.
- Jhally, Sut. 1987. The codes of advertising. New York: Routledge.
- Jhally, Sut, and Bill Livant, Bill. 1986. Watching as working: The valorization of audience consciousness. *Journal of Communication* 36 (3): 124-43.
- Johnson, Deborah G., and Kent A. Wayland. 2010. Surveillance and transparency as sociotechnical systems of accountability. In *Surveillance and democracy*, edited by Kevin D. Haggerty and Minas Samatas, 19-33. New York: Routledge.
- Karatani, Kojin. 2005. Transcritique: On Kant and Marx. Cambridge, MA: MIT Press.
- Kücklich, Julian. 2005. Precarious playbour. Fibreculture Journal 5, http://five.fibreculturejournal.org/fcj-025-precarious-playbour-modders-and-the-digital-games-industry/.
- Lee, Micky. 2011. 2011. Google ads and the blindspot debate. *Media, Culture & Society* 33 (3): 433-47.
- Livant, Bill. 1979. The audience commodity. *Canadian Journal of Political and Social Theory* 3 (1): 91-106.
- Lynd, Staughton. 1965. The new radicals and "participatory democracy." *Dissent* 12 (3): 324-33.
- Lyon, David. 1994. *The electronic eye. The rise of surveillance society*. Cambridge, UK: Polity. Macpherson, Crawford Brough. 1973. *Democratic theory: Essays in Retrieval*. Oxford, UK: Clarendon Press.
- Manzerolle, Vincent. 2010. Mobilizing the audience commodity: Digital labour in a wireless world. *Ephemera* 10 (3/4): 455-69.
- Marcuse, Herbert. 1955. Eros and civilization. Boston, MA: Beacon Press.
- Marx, Karl. 1843a. Critique of Hegel's doctrine of the state. In *Early writings*, 57-198. London: Penguin.
- Marx, Karl. 1843b. On the Jewish question. In Writings of the young Marx on philosophy and society, 216-48. Indianapolis, IN: Hackett.
- Marx, Karl. 1867. Capital. Volume 1. London: Penguin.
- Meehan, Eileen. 1993. Commodity audience, actual audience. The blindspot debate. In *Illuminating the blindspot*, edited by Janet Wasko, Vincent Mosco, and Manjunath Pendakur, 378-97. Norwood, NJ: Ablex.
- Mill, John Stuart. 1965. *Principles of political economy*. 2 vols. London: University of Toronto Press.

Moglen, Eben. 2003. *The dotCommunist Manifesto*. http://emoglen.law.columbia.edu/publications/dcm.html

Murdock, Graham. 1978. Blindspots about Western Marxism. Canadian Journal of Political and Social Theory 2 (2): 109-19.

Negri, Antonio. 1991. Marx beyond Marx. London: Pluto.

Nissenbaum, Helen. 2010. Privacy in context. Stanford, CA: Stanford University Press.

Pateman, Carole. 1970. Participation and democratic theory. Cambridge: Cambridge University Press.

Quinn, Michael. 2006. Ethics for the information age. Boston: Pearson.

Rule, James B. 2007. Privacy in peril. Oxford: Oxford University Press.

Ryker, Randy, Elizabeth Lafleur, Chris Cox, and Bruce Mcmanis. 2002. Online privacy policies: an assessment of the fortune E-50. *Journal of Computer Information Systems* 42 (4): 15-20.

Smythe, Dallas. 1977. Communications: Blindspot of Western Marxism. *Canadian Journal of Political and Social Theory* 1 (3): 1-27.

Smythe, Dallas W. 1978. Rejoinder to Graham Murdock. *Canadian Journal of Political and Social Theory* 2 (2): 120-27.

Smythe, Dallas W. 1981/2006. On the audience commodity and its work. In *Media and cultural studies*, edited by Meenakshi G. Durham and Douglas. M. Kellner, 230-56. Malden, MA: Blackwell.

Starke-Meyerring, Doreen and Laura Gurak. 2007. Internet. In *Encyclopedia of privacy*, edited by William G. Staples, 297-310. Westport, CT: Greenwood Press.

Tännsjö, Torbjörn. 2010. Privatliv. Lidingö: Fri Tanke.

Tavani, Herman T. 2008. Informational privacy: Concepts, theories, and controversies. In *The handbook of information and computer ethics*, edited by. Kenneth Einar Himma and Herman T. Tavani, 131-64. Hoboken, NJ: Wiley.

Toffler, Alvin. 1980. The third wave. New York: Bantam Books.

Turow, Joseph. 2006. *Niche envy. Marketing discrimination in the digital age*. Cambridge, MA: MIT Press.

Zureik, Elia. 2010. Cross-cultural study of surveillance and privacy: Theoretical and empirical observations. In *Surveillance, privacy and the globalization of personal information*, edited by Elia Zureik, Lynda Harling Stalker, Emily Smith, David Lyon, and Yolane E. Chan, 348-59. Montreal: McGill-Queen's University Press.

Bio

Christian Fuchs holds the chair in media and communication studies at Uppsala University's Department of Informatics and Media. He is editor of *tripleC: Journal for a Global Sustainable Information Society*. He is author of many academic publications, including the books *Internet and Society: Social Theory in the Information Age* (Routledge, 2008) and *Foundations of Critical Media and Information Studies* (Routledge, 2011). He coedited the collected volume *Internet and Surveillance. The Challenges of Web 2.0 and Social Media* (Routledge, 2011).