Whatever Happened to the Gift Economy?

Jon Ippolito

Editor's Note: Many readers of Leonardo and website visitors to Leonardo On-Line will be aware that the Leonardo network is currently being sued by Transasia Corp. in France for trademark infringement. Transasia claims to have recently trademarked in France the names Leonardo, Leonardo Finance, Leonardo Partners, Leonardo Invest and Leonardo Experts. The suit asks that the Association Leonardo be forbidden from using the word "Leonardo" in its website projects or any other products or services.

In the wake of this trademark dispute, we have been deluged with letters of support from many corners of the globe, for which we extend our most heartfelt thanks. Readers who would like to add to this growing body of support for Leonardo are invited to send letters to <isast@sfu.edu>. For more information please visit Leonardo On-Line <http://mitpress.mit.edu/Leonardo>.

The following article is one of several we will be publishing on an occasional basis that help shed light on some of the important issues raised by the burgeoning Internet.

Last November, when the online retailer eToys.com sued the artist-run Web site etoys.com for trademark infringement, all I could think of was John’s WordPerfect macros. Back in the days when I logged onto the Internet with my trusty 2400 bps modem, John’s WordPerfect macros cropped up in all sorts of Web sites and Usenet groups, where they always came free of banner ads, usage fees, or any other quid-pro-quo. They were just there for the taking, and if “John” got anything back for distributing them so widely, it was something intangible like public prestige or personal satisfaction. In other words, John’s WordPerfect macros were a gift.

When I hear people like Vint Cerf claim that “We all know the Internet didn’t explode until it became a corporate enterprise” [1], it makes me wonder whether they are unintentionally or deliberately forgetting the gift economy that nurtured the early Internet. In 1973, when Cerf was working on the TCP/IP protocol that currently underlies all online transactions, his paycheck came not from some forward-thinking corporation but from the Defense Advance Research Project Administration, whose DARPA.net was the forerunner of today’s Internet. Building on this taxpayer-funded infrastructure, the scientists and programmers who really “exploded” the Internet e-mailed ideas and FTP’d freeware into the ether without expecting an immediate payback. MUDs and MOOs, open source projects, and co-located software each offered a different paradigm for online collaboration. When newbies like me saw so much free advice and software available online, we felt encouraged—sometimes even obligated—to contribute some of our own. As the code-sharing community snowballed, corporations added their own contributions to this economy: Netscape wrote JavaScript, Microsoft refined DHTML, and Macromedia brought us Shockwave. Aside from these enhancements, however, the primary effect of the growing corporate infatuation with the Internet has been banner ads, junk e-mail, online shopping carts—and trademark litigation.

Generally speaking, academics and hackers want other people to use their ideas, provided the recipients of these gifts credit the source (and even without credit one can eventually benefit from someone else’s gift). Corporations like eToys, however, spend thousands or millions of advertising dollars to imprint an exclusive brand name in the minds of consumers. Although the artists had registered their domain name two years before the trinket salesmen registered theirs, the corporation happened to register their trademark first. Ignoring the fact that U.S. trademarks don’t have automatic jurisdiction over an international territory like cyberspace, a California judge granted a temporary injunction blocking public access to the artists’ domain. The timing of this action, a few months before the Christmas that many predicted would be the first real moneymaking season for e-commerce, seemed to confirm that the exchange economy would soon overpower the online gift economy, just as it had overpowered the offline ones.

For the Internet is not the first time a culture based on sharing has been colonized by a culture based on accumulating. As Lewis Hyde recounts in his illuminating 1979 book The Gift [2], when an Algonquin sachem gave an ornamental pipe to a Massachusetts Puritan, he was surprised to see the same pipe months later displayed over the colonist’s mantel. In many Native American cultures, a gift had no meaning unless it continued to circulate; to hold a gift permanently, or to exchange it for another item of value, was to destroy the gift’s function of building ties among members of the community. When the dismayed chief asked why the colonist thought the pipe was his to keep forever, he was labeled an “Indian giver”—someone who gives a gift only to ask for it back. In the end, many indigenous cultures adopted an exchange-oriented code of conduct for dealing with outsiders while maintaining a gift-oriented one for dealing with their own tribe. This division worked because there was a clear geographic boundary, like the walls of a town, to separate the two cultures.

In the 21st century’s New World, however, the lack of geological boundaries makes it harder to separate the colonists from the natives. A good example is Amazon.com, which exploits a gift economy (visitors writing free reviews) to drive an exchange economy (selling books). While Amazon adapted its colonial strategy to curry favor among the gift-oriented natives of cyberspace, corporations like eToys have simply tried to muscle into the territory using tactics drawn from the...
exchange economy. To be sure, domain-name registration is one of the least giftlike mechanisms of the Internet, because once you register a domain name it’s yours to keep as long as you shell out the yearly fee. It’s also a fairly late innovation; before 1997 most Web addresses were subdirectories on university or government servers, with the interesting consequence that it was easy to spot which individuals were collaborating with which institutions. Nevertheless, even domain registration doesn’t fit comfortably within the exchange model, because domain names are available on a first-come, first-served basis, and are not priced competitively; CocaCola.com and MyWebSiteSucks.com both cost $35 a year. Having laid out millions for the R&D behind router boxes and switching protocols, the [U.S.] government created domain names to make the Internet easier to use, not more competitive. Trademarks, on the other hand, are protected not by the constitution but by commercial legislation; for eToys to accuse etoy of trademark violation is like Miles Standish accusing the Algonquins of violating Elizabethan etiquette. The eToys company may have paid out of their own coffers to advertise their brand name, but we taxpayers underwrote the technology that makes “eToys.com” go somewhere when you type it into your browser. When an insurgent from a market culture profits from a gift economy without participating in it, Hyde calls that “wading into the stream of the gift.” I have a less poetic term for it: theft.

Hyde spends a good portion of his book explaining how artists, most of whom spend hours each week in the studio creating cultural gifts without expecting any immediate return, nonetheless have to waitress, sell work, or otherwise venture out into the exchange economy to survive. When your studio is the Web, however, the line between private and public life is harder to draw. What role can online artists like etoy.com play in the “theft economy” resulting from the incursion of predatory dot-coms onto the gift-oriented landscape of the Internet?

As a matter of fact, online artists have been pilfering from corporations—and each other—for years. One of the first online artworks to gain public attention was, ironically, etoy’s own Digital Hijack, which won a Golden Nica at the Ars Electronica festival in 1996. For this project, the artists wrote software that analyzed the way search engines rank Web pages—for example, by looking for key words in HTML meta-tags—and then used that information to redirect traffic away from corporate sites. Unsuspecting viewers who clicked on, say, the top-ranked link in an Infoseek query about Porsche were transported to an etoy page informing them that they had just been “hijacked.” While the corporate theft of etoy’s domain name commandeered a gift in the name of capital, etoy’s Digital Hijack worked in the opposite direction, steering attention away from exclusive property back toward distributed ownership. Since that early project, other online artists have hijacked other people’s images, texts—even entire Web sites. When the curators of Documenta X announced they would terminate their Web site upon the exhibition’s conclusion and release it for sale on CD-ROM, Vuk Cosic downloaded the site to his own Digital Hijack, and used virtual sit-in software cast into doubt eToys stock. That stock tumbled 70% off its original value over the course of etoy’s “toyswar,” and eToys.com formally withdrew their suit last February.

The triumph of etoy over eToys is proof that network technologies favor Robin Hoods over robber barons. We owe the Internet not to AOL and Microsoft, but to John and his WordPerfect macros—and for this gift we should be thankful.

References

Jon Ippolito is an artist and Assistant Curator of Media Arts at the Guggenheim Museum, where he curated Virtual Reality: An Emerging Medium (1993), the CyberAtlas projet (1996–1998) and, with John G. Hawkardt, The Worlds of Nam June Paik (2000). He has exhibited artworks at the Walker Art Center in Minneapolis and the ZKM/Center for Art and Media in Karlsruhe, and his critical writing has appeared in Art Byte, Art Journal, Flash Art and numerous exhibition catalogues.