A White Paper

Neutralism:
Identifying the Commons Ideology behind Net Neutrality

By Scott Cleland*
President, Precursor LLC
Chairman, NetCompetition.org* *
scleland@precursor.com

February, 2009

Abstract. The *premise* behind this white paper is that few understand that there is a surprisingly well-developed ideology and school of economic thought behind the net neutrality issue, regardless of whether one agrees of disagrees with it. Thus, the *purpose* of this white paper is to educate by briefly defining, explaining, and tracing the origins of the ideology and economic thought behind net neutrality. The *value* of this paper is that it connects-the-dots and fills-in-gaps for those seeking to more fully understand the issue. **Simply, neutralism is the commons ideology behind the net neutrality movement. Neutralists believe that digital information and communications networks should be a public commons, not private property requiring permission or payment to use.** Neutralists believe that: 1) Digital technology, if unshackled from ownership restrictions and payment requirements, is a powerful means for creating a more egalitarian society; 2) The end-to-end design of the Internet creates a digital commons that is open to decentralized innovation; and 3) The Internet should not be controlled by market players because it is necessary for democratic discourse. Neutralists generally oppose *Big Business incumbents* (broadband, media and software) and the expansion of intellectual property as opponents of Internet users, because they enable the owning and controlling of information, communication, and ultimately culture -- for the benefit of the propertied-few at the expense of the potential of the many. Neutralists believe technology and innovation, in concert with public commons for information and communication, can transform the traditional capitalistic economics of *scarcity* -- into the more egalitarian economics of *abundance* -- i.e. 'neutralnomics.' An underlying premise of neutralnomics is that when faced with resource abundance, capitalism naturally will try to create artificial scarcity or face economic collapse. The white paper also traces the origins of neutralism. First, the de facto father of neutralism is Richard M. Stallman who founded the free software movement with the belief that users should not have to ask for permission or pay for software. Second, Eben Moglen is profiled for his key ideological grounding for neutralism. Third, Lawrence Lessig is credited with the mainstream popularization of neutralism and melding free software commons thinking with end-to-end Internet commons thinking. Fourth, Yochai Benkler is profiled as the one who formalized the economic theory behind neutralism. Fifth, David Bollier is credited with creating the initial and formative public policy agenda of Neutralism in "*Saving the Information Commons.*" **This white paper's core conclusion is: the ideological tension will only increase between the competing visions: calling for a new mandated digital commons vs. defending the existing free market based on property rights.** That is because the underlying trends creating the pre-conditions for neutralism are likely to persist and accelerate -- i.e. the declining cost economics of digital abundance, and the increased adoption of Internet social "Web 2.0" applications.

*Bio: http://www.precursor.com/bio long. htm
** NetCompetition.org is a free market e-forum supported by broadband interests.*

I.   Introduction

The *premise* behind this white paper is that few understand that there is a surprisingly well-developed ideology and school of economic thought behind the net neutrality issue, regardless of whether one agrees of disagrees with it. Thus, the *purpose* of this white paper is to educate by briefly defining, explaining, and tracing the origins of the ideology and economic thought behind the net neutrality issue. The *value* of this paper is that it connects-the-dots and fills-in-gaps for those seeking to more fully understand the net neutrality issue.

- *"There was a moment...in 2001, when a range of people who were doing similar things ... seemed to cohere into a single intellectual movement, centered on the importance of the commons to information production and creativity in general, and to the digitally networked environment in particular."* Yochai Benkler, *"Wealth of Networks"* 2006

This paper is the culmination of several months of research. It is also a genuine attempt to summarize, make accessible, and fairly represent the essence of the vision, thinking, and belief system behind the net neutrality movement. Nearly half of the text of this paper is direct quotes from leading neutralist thinkers, so the reader can hear their views in their own words. I trust others will improve upon this initial analysis.

The paper's structure is simple; it:
- Defines neutralism;
- Explains neutralism and neutralnomics; and
- Traces the origins of neutralism.

II.   What is 'Neutralism'?

A.   Neutralism Defined

Simply, neutralism is the commons ideology behind the net neutrality movement. Neutralists believe that digital information and communications networks should be a public commons, not private property requiring permission or payment to use. Neutralists believe that:
- Digital technology, if unshackled from ownership restrictions and payment requirements, is a powerful means for creating a more egalitarian society;
- The end-to-end design of the Internet creates a digital commons that is open to decentralized innovation; and
- The Internet should not be controlled by market players because it is necessary for democratic discourse.

B.   Neutralism Explained

The changes that largely spawned the neutralism movement were: the declining cost economics of digital technology and the social/political potential of Internet Web 2.0 and peer-2-peer applications. More specifically, the steadily decreasing incremental cost of digital production, storage and distribution of content and communications fueled by Moore's Law, combined with the user-friendly end-to-end design of Internet Protocol, created the pre-conditions necessary for neutralists to seek a more egalitarian common ownership of the primary means of production, property and distribution in the digital economy.

Neutralists generally oppose *Big Business incumbents* and the expansion of intellectual property as opponents of Internet users, because they enable the owning and controlling of information, communication, and ultimately culture -- for the benefit of the propertied-few at the expense of the potential of the many.

- *Big Broadband:* Neutralists generally believe that the Internet communications infrastructure, Big Broadband, should be a public commons, either through substantial Government ownership or control, or through substantial common carrier, or "open access" wholesale unbundling regulation.
- *Big Media:* Neutralists generally believe in a combination of collective activist user behavior and government mandates to break Big Media's, top-down intellectual property grip on information and culture by creating an information commons to unleash citizens' bottoms-up creative and innovative potential.
- *Big Software:* Neutralists also generally oppose Big Software, believing that there should be no proprietary ownership of software, and that users should be free to use, copy, change, or redistribute any software code as they see fit.

C. Neutralnomics Defined and Explained

Neutralists believe technology and innovation, in concert with public commons for information and communication, can transform the traditional capitalistic economics of *scarcity* -- into the more egalitarian economics of *abundance* -- i.e. 'neutralnomics.' An underlying premise of neutralnomics is that when faced with resource abundance, capitalism naturally will try to create artificial scarcity or face economic collapse. Thus neutralists do not view the economic phenomenon of competitive differentiation as competition, but as avoiding competition to extract unfair scarcity value. Another underlying premise of neutralnomics is that property owners will seek to strategically protect the value of their property by artificially limiting the potential for innovation and creativity of others.

Since Neutralists generally have a zero sum world-view of freedom, they believe the Internet should be a "dumb pipe" commons, because by definition, incumbents' freedom to leverage their network property strategically -- takes away the freedom of users. In neutralnomics, 'free' means no permission or payment required, and 'open' means a commons or communal property. An Open Internet is a public commons. Generally, variable pricing and usage-based pricing or caps are considered antithetical to resource abundance and unlimited Internet use -- assumed in neutralnomics. Neutralists envision a post-scarcity economy, and view their movement as the way to effectively set economic policy for the next generation.

III. Tracing the Origins of Neutralism:

A. The 'Father' of Neutralism

The de facto 'father' of the neutralism movement is Richard Stallman, a self-described software freedom activist, who is also President of the Free Software Foundation. Stallman pioneered the free software movement; invented "GNU," a non-proprietary operating system alternative to UNIX in 1983; and introduced 'copyleft' in 1985, a minimalist form of copyright designed to ensure that free software always remained free software as it was shared and improved downstream. The better-known Linux operating system, pioneered by Linus Torvalds, was essentially an offshoot of Stallman's GNU free software development tree. The Linux effort effectively re-branded 'free software' as 'open source software' much to the chagrin of Stallman, to make it less political and to offer it as a more mainstream business alternative to Microsoft's operating system.

The core premise of neutralism originates largely from the definition of 'free software' found on Stallman's Free Software Foundation website:

- "*Free software is a matter of the users' freedom to run, copy, distribute, study, change and improve the software. ... Being free to do these things means... that you do not have to ask or pay for permission.*"
- In Stallman's 2002 essay "*Free Software, Free Society,*" Stallman explains:
  - "*that society should not have owners for programs.*" p.128
  - "*... I am working to build a system where people are free to decide their own actions; in particular, free to help their neighbors, and free to alter and improve the tools that they use in their daily lives. A system based on voluntary cooperation and on decentralization.*" p.133
  - "*For those who believe that owners are more important than anyone else, this paper is simply irrelevant. But why would a large number of Americans accept a premise that elevates certain people above everyone else? Partly because of the belief that this premise is part of the legal traditions of American society. Some people feel that doubting the premise means challenging the basis of society.*"
  - "*... We are not required to agree with the Constitution or the Supreme Court. (At one time, they both condoned slavery.)*" p.134
- At core, Stallman believes that ownership restrictions on software and digital content are a form of inequality that is "*un-ethical*" and "*antisocial*" because they impede the advancement of knowledge and creativity of everyone and society at large.

B.   The Ideological Grounding of Neutralism

Part of the ideological grounding of Neutralism is evident in Eben Moglen's 2003 "*The dotCommunist Manifesto.*" Eben Moglen was General Counsel for Stallman's Free Software Foundation from 1984-2007 and is a Professor of Law at Columbia University. From "*The dotCommunist Manifesto:*"

- "*Creators of knowledge, technology, and culture discover that they no longer require the structure of production based on ownership and the structure of distribution based on coercion of payment. Association, and its anarchist model of propertyless production, makes possible the creation of free software, through which creators gain control of the technology of further production.[1] The network itself, freed of the control of broadcasters and other bandwidth owners, becomes the locus of a new system of distribution, based on association among peers without hierarchical control, which replaces the coercive system of distribution for all music, video, and other soft goods.*" p.4
- "*Protecting the ownership of ideas requires the suppression of free technology, which means the suppression of free speech. The power of the State is employed to prohibit free creation. Scientists, artists, engineers and students are prevented from creating or sharing knowledge, on the ground that their ideas imperil the owners' property in the system of cultural production and distribution. It is in the courts of the owners that the creators find their class identity most clearly, and it is there, accordingly, that the conflict begins.*" p.6
- "*We, the creators of the free information society, mean to wrest from the bourgeoisie, by degrees, the shared patrimony of humankind. We intend the resumption of the cultural inheritance stolen from us under the guise of ``intellectual property,'' as well as the medium of electromagnetic transportation. We are committed to the struggle for free speech, free knowledge, and free technology. The measures by which we advance that struggle will of course be different in different countries, but the following will be pretty generally applicable:*
  1. *Abolition of all forms of private property in ideas.*
  2. *Withdrawal of all exclusive licenses, privileges and rights to use of electromagnetic spectrum. Nullification of all conveyances of permanent title to electromagnetic frequencies.*

3. *Development of electromagnetic spectrum infrastructure that implements every person's equal right to communicate.*
4. *Common social development of computer programs and all other forms of software, including genetic information, as public goods.*
5. *Full respect for freedom of speech, including all forms of technical speech.*
6. *Protection for the integrity of creative works.*
7. *Free and equal access to all publicly-produced information and all educational material used in all branches of the public education system.*

- *By these and other means, we commit ourselves to the revolution that liberates the human mind. 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." P.8-9*

C.   The Mainstream Popularization of Neutralism

The mainstream popularization of neutralism can be attributed to Stanford Law School Professor Lawrence Lessig, who is founder of the Creative Commons, and who also is the author of several books advancing neutralist thought: *"The Future of Ideas: the Fate of the Commons in the Connected World"* (2001); *"Free Culture: the Nature and Future of Creativity"* (2004); and *"Code Version 2.0"* (2006) an update of Lessig's first book: *"Code and Other Laws of Cyberspace* (1999). Lessig serves on the board of Stallman's Free Software Foundation, wrote the introduction to *"Free Software, Free Society: The Selected Essays of Richard M. Stallman,"* was recipient of the Free Software Foundation's Freedom Award, and also credits Stallman for being the *"inspiration for the title and much of the argument"* of his book *"Free Culture."* Lessig served on the Free Software Foundation board with Eben Moglen and quotes him in his books.

In addition to popularizing neutralism in his books, Lessig was the first to substantially meld the commons thinking behind the free software movement with the commons thinking behind the Internet end-to-end design principle and its potential for social, political and technological innovation. Lessig's 2001 book: *"The Future of Ideas – the Fate of the Commons in a Connected World"* introduces the concepts of the dot.commons and more specifically -- **neutral** platforms.

- Commons *"are a resource for decentralized innovation. They create the opportunity for individuals to draw upon resources without connections, permission or access granted by others. They are environments that commit to being open."* p.85
- Lessig asserts *"the Internet forms an innovation commons... protected by an architecture that forbade discrimination."* p.23
- Lessig argues network bandwidth, operating software and spectrum should all be commons.
- Lessig sees the *"end-to-end"* principle of the Internet to be *"a stand-in for a commons."* p.89
  - Lessig argues that commons better facilitate innovation because they enable maximum experimentation, and that 'open' markets can create more 'value' than closed markets.
  - Lessig quotes David Isenberg to make the point that innovation at the edge is superior to network innovation: *"the milk of disruptive innovation does not flow from cash cows."* P.90
- Lessig argues that since the Internet is necessary for public/democratic discourse it should not be controlled by market players. *"The system of control we erect for rivalrous resources (land, cars, computers) is not necessarily appropriate for nonrivalrous resources (ideas, music, and expression)."* P.95
  - In other words, Lessig views communications infrastructure and content as fundamentally different from the rest of the economy, because they involve ideas and democracy, and thus warrant stricter sets of controls on the these "incumbents" who threaten the freedom of users.

- The terms "*neutral platforms*" and "*neutrality of end to end*" were introduced by Lessig p. 247, 249.
  - o The **specific term "net neutrality" -- the branding of neutralism's vision for the Internet** – was reportedly coined by close Lessig colleague, Tim Wu, who is a Professor of Law at Columbia Law School, with colleague Eben Moglen, in the specialty of copyright law. In 2002, Wu wrote a paper entitled "*Network Neutrality, Broadband Discrimination.*" In Tim Wu's 2006 book: "*Who Controls the Internet?*" Wu co-dedicates the book to Lessig and calls him "*a giant among Internet thinkers.*" P.185
- Lessig's book *Free Culture* also spawned a college student free culture movement that has spread to 30 colleges and universities.
  - o Students for Free Culture (FreeCulture.org) was --"*Named after the book* Free Culture *by Stanford University law professor Lawrence Lessig, SFC is part of a growing movement, with roots in the free software / open source community, media activists, creative artists and writers, and civil libertarians.*"
  - o From the SFC's "Manifesto:"
    - *The mission of the Free Culture movement is to build a bottom-up, participatory structure to society and culture, rather than a top-down, closed, proprietary structure. Through the democratizing power of digital technology and the Internet, we can place the tools of creation and distribution, communication and collaboration, teaching and learning into the hands of the common person — and with a truly active, connected, informed citizenry, injustice and oppression will slowly but surely vanish from the earth.*"
    - *…"The future is in our hands; we must build a technological and cultural movement to defend the digital commons.*"

D.   The Economic Theory behind Neutralism

The formalization of economic theory behind Neutralism, i.e. 'neutralnomics,' can be attributed to Yale Professor Yochai Benkler, author of "*The Wealth of Networks – How Social Production Transforms Markets and Freedom*" (2006). In his book, Benkler credits: Moglen for "*a moment of true understanding;*" Lessig's thinking for being "central" to his work; and Stallman for helping enable peer production of information.

- In "The Wealth of Networks" Benkler **recounts the coalescing of the neutralism movement:**
  - o *"There was a moment...in 2001, when a range of people who were doing similar things ... seemed to cohere into a single intellectual movement, centered on the importance of the commons to information production and creativity in general, and to the digitally networked environment in particular."* p. x
- The "*central question is whether there will or will not, be a core common infrastructure that is governed as a commons and therefore available to anyone who wishes to participate in the networked information environment outside the market-based, proprietary framework.*" p.23
- *"...expansions of rights operate, as a practical matter, as a tax on nonproprietary models of production in favor of the proprietary models. "*p.467
- *"Ubiquitous low cost processors, storage media, and networked connectivity have made it practically feasible for individuals, alone and in cooperation with others, to create and exchange information, knowledge and culture in patterns of social reciprocity, redistribution, and sharing rather than market-based production. "*p.462
- *"It will likely result in a significant redistribution of wealth, and no less importantly, power, from previously dominant firms and business models, to a mixture of individuals and social groups on one hand , and the other hand businesses that reshape their business models to take advantage of, and build tools and platforms for, newly productive social relations." P.468*

- *"We have the opportunity to change the way we create and exchange information, knowledge and culture. By doing so, we can make the twenty first century one that offers individuals greater autonomy, political communities greater democracy, and societies greater opportunities for self-reflection and human connection. We can remove some of the transactional barriers to material opportunity, and improve the state of human development everywhere. Perhaps these changes will be the foundation of a true transformation toward more liberal and egalitarian societies." p.473*

Professor Benkler's book the "Wealth of Networks" was the theme of the "*F2C: Freedom to Connect 2007*" annual conference in Washington DC hosted by David Isenberg of Isen.com.

E.   The Initial Public Policy Agenda of Neutralism

The initial and formative public policy agenda of Neutralism is captured in "*Saving the Information Commons*" 2002 by David Bollier, who is co-founder of Public Knowledge and author of "*Brand Name Bullies: The quest to own and control culture,*" and Tim Watts. They produced it under the aegis of The New America Foundation and Public Knowledge and give credits for expert advice to Eben Moglen and Yochai Benkler, among others. In 2009, Bollier authored "*Viral Spiral: How commoners built a digital republic of their own*" in which he profiles Richard Stallman and Lawrence Lessig, among others. A key quote from Bollier's book summarizes its core conclusion: "*A world organized around centralized control, strict intellectual property rights, and hierarchies of credentialed experts is under siege. A radically different order of society based on open access, decentralized creativity, collaborative intelligence and cheap and easy sharing is ascendant.*"

The proposed public policy principles in "*Saving the Information Commons*" follow:
1. "*Preserve significant slices of the communications infrastructure for non-commercial varieties of communication, and provide sufficient legal and financial support for creativity in these spaces.*
2. *Assure that markets are truly open, competitive and diverse, and not closed and concentrated.*
3. *Allow new technologies to evolve and innovate without being quashed or subverted by existing media industries.*
4. *Ensure that First Amendment freedoms are fully applied to individual citizens—the primary constituent of our democratic polity—and only secondarily to media corporations.*
5. *Revisit the cultural bargain of copyright and trademark law to assure that the public gets a fair return for the monopoly rights it gives.*
6. *Devise innovative policy structures that can affirmatively protect the information commons against proprietary free riders, as the General Public License has done for open source software and as the spectrum commons proposes to do for wireless communications.*
7. *Assure that the public reaps a fair return on the private uses of public assets, such as the electromagnetic spectrum.*" p.6

IV.   Conclusion

Net neutrality is more than a contentious public policy issue in Washington. It is the public branding of a new, niche, but growing ideology and school of economic thought, which is most logically called neutralism. **This white paper's core conclusion is: the ideological tension will only increase between the competing visions: calling for a new mandated digital commons vs. defending the existing free market based on property rights.** That is because the underlying trends creating the pre-conditions for neutralism are likely to persist and accelerate -- i.e. the declining cost economics of digital abundance, and the increased adoption of Internet social "Web 2.0" applications.

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