Commerce, community and digital gifts

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Digital gifts are ubiquitous on the internet: web pages, blog entries, social media posts, photographs, videos, and contributions to advice forums, for example, are widely made available for anyone to use without payment or reciprocation. And they are becoming increasingly important in the lives of an increasing number of internet users, with the International Telecommunication Union reporting that 2.7 billion people are now online (ITU 2013: 2). It may be tempting to see all this digital giving as occupying a social space in which commerce is absent and community therefore present, but this would be to fall into the trap of the commerce/community dualism that this volume seeks to question.

In the terms of this dualism, commerce, on the one hand, represents the commodity economy as it is understood in neoclassical economics, in which actors assume rational personae and engage in asocial exchanges at market prices with a view to optimising over
their preference functions. Community, on the other, represents a space about which this tradition of economics is largely silent, a space that acts for it as a kind of dumping ground for all those social activities that can be dismissed as uneconomic, activities that might be of interest to sociologists and anthropologists, but activities that these economists assume they can safely ignore. In this space, for example, people have emotions, they have values, they are socialised into normative patterns of action, they have relationships with each other, they resemble each other or differ from each other, they support each other or undermine each other, and they sometimes give to each other without calculation or reciprocation. This is, no doubt, a straw binary, a caricatured representation, and there are certainly many economic studies that depart from it, such as those on pro-social behaviour documented by Meier (2006), yet it is still one that is worthy of critique if it resonates closely with the assumptions really (if not necessarily consciously) made by many economists.

In this context, community has an essentially negative function: it is the other of commerce, and must be kept strictly separated from commerce in order to preserve the purity and the mathematical tractability of the economy as it is represented in mainstream economics. To question the dualism, then, is to pose a threat to the integrity of the work done in that tradition.

In the context of this straw binary, we could arguably replace the word community with any other that would encompass those aspects of human social behaviour that are to be excluded from economics. Yet it is a word with a history, a word that has symbolised the
social side of this distinction, or some variant of it, at least since the work of Ferdinand Tönnies (2003 [1887]). For Tönnies, and for many others, *community*, or rather *Gemeinschaft*, usually translated as *community*, not only indicates a range of social phenomena that are excluded from most representations of the commercial economy, but also ties them together into a kind of romantic ideal type: “a spontaneously arising organic social relationship characterized by strong reciprocal bonds of sentiment and kinship within a common tradition” (Merriam-Webster 2013). Such conceptions of community function as cover for an imaginary ideal of interpersonal harmony based on multiple congruent affiliations and affinities, but these understandings of community are at least as problematic as the concept of a purely rational asocial economy. They miss, for example, the diversity of communities in contemporary society, their exclusionary nature, their radical intersectionality in the sense that any individual may belong to multiple communities, the decreasing importance of kinship and locality as a basis for community, the socially constructed nature of the cultural affinities that many communities are built around, and the existence of commercial relationships alongside relationships of affect between the same people. Most social life and most economic life, which I take to be a part of social life and not somehow distinct from it, conforms to neither the mainstream economic model of commerce nor the romantic model of community. Actual commerce and actual community are both more complex and more interwoven than the commerce-community binary suggests.

This chapter explores those relationships by considering the increasingly important phenomenon of digital gifts. In the commerce/community dualism, gifts would seem to
belong firmly on the side of community, with the implication that they are given only to those with whom we have close existing relationships, in a normatively endorsed process that is often seen as making and strengthening connections within the community. But one of the striking characteristics of digital gifts is that they are often gifts to strangers, gifts that entail no obligation to reciprocate. Another is that they are by no means always divorced from commercial interests: many digital gifts are given in the pursuit of profit.

Digital gifts thus prompt us to question multiple implications of the commerce/community binary, and point the way towards an alternative understanding of the economy, in which it is understood as deeply social, with both commercial and non-commercial aspects, and deeply entangled with communities: but communities that take diversely unromantic forms. This chapter also seeks to contribute to a number of wider yet related arguments: first, that giving is an economic activity and an important one in contemporary societies; second, that there is a diverse range of giving practices, which do not all function in the same way or have the same implications; third, that in some contexts certain giving practices are a promising alternative to commodity exchange; but fourth, that giving is often entangled with other economic practices in complex and interesting ways.

**Gifts and digital gifts**

For mainstream economics, the economy is precisely coextensive with the commodity economy: it essentially consists of transfers of goods and services that take the form of exchange and productive activity that is undertaken with the intention of exchanging the
product. There may be grudging extensions for the state sector, which is brought back into the exchange economy by measuring it in terms of the purchase of inputs as commodities rather than in terms of the value of its outputs, but giving, and production for giving, is generally excluded without even an acknowledgement that the exclusion has taken place. The exceptions are 1) gifts of money and 2) products which are produced and purchased as commodities in order to be given as gifts, which are of interest to economists only in their role as commodities and cease to be of interest as soon as they have been purchased by the eventual giver of the gift.

Yet many of our needs, material and otherwise, are met by activities that fall outside the commodity economy. If the economy is to be defined in terms of the function it performs, then, rather than in terms of a self-confirming dogma about the form the economy should take, it cannot be identical with commerce, or with the commodity economy, but must also include those other activities. Instead, it is more coherent and plausible to understand the economy in terms of the provisioning of goods and services, as economic thinkers from a range of heterodox traditions have done (Boulding 1973; Boulding 1986; Dugger 1996; Garnett 2007; Gruchy 1987; Nelson 1993; Sayer 2004: 2). When we do think of the economy in these terms, it becomes clear that giving is an economic activity in much the same sense that exchange is an economic activity, and producing to give is an economic activity in much the same sense as producing for sale. And when we look at the vast range of provisioning activity that occurs in contemporary society, we quickly find that an enormous proportion of it occurs outside the commodity economy. That provisioning activity includes, for example, a broad range of gift economy practices such as charitable
giving, volunteering, blood and organ donation, ritual gifts on birthdays and other occasions, assistance to friends, neighbours, co-workers and indeed unknown passers-by, bequests, and perhaps most substantially of all, sharing of resources and caring labour within the household. ¹

Although the literature on the gift economy (which can be found predominantly in anthropology) is plagued with attempts “to construct a single image or type or form of ‘the gift’ that can be counterposed to neoclassical exchange” (Danby 2002, 27), not all of these gift economy practices work in the same way. Some may seem to fit quite comfortably into the conventional commodity/commercial dualism, such as sharing and caring within the family. But others do not, and this paper illustrates the point with some examples from the wide range of digital giving practices that have become increasingly important and prevalent in recent years.

Digital gifts have become ubiquitous on the internet. Indeed the web is based on digital gifts: almost every web page we load into our browsers is a complex text offered for downloading without any requirement for, or expectation of, any return to be made in exchange for viewing the content concerned (Barbrook 2005 [1998]; Berry 2008: 12).² Web pages, blog posts, videos on YouTube, photographs, advice offered in a vast range of forums, and status updates on Facebook, for example, are products of labour that are given freely by their creators, and although sites like Facebook may allow creators to restrict who may access their creations, much of this material is freely available to anyone. These digital gifts entail no obligation to reciprocate, and furthermore, unlike
charitable gifts, they entail no sense that the recipient is unable to reciprocate or in any way inferior to the donors: there is no stigma entailed in loading a web page without reciprocating the gift that it constitutes. These are free gifts, often to strangers, given to their recipients as equals.

At this level, there is no obvious connection between digital gifts and either commerce or community. Say, for example, a steam train enthusiast spends a number of hours creating a web page containing useful information and rare photographs that relate to a certain kind of steam engine. Once the page is published, it is freely available to anyone who wishes to view it. No commodity changes hands and commerce is utterly absent when another web user views the page. Yet there is little trace of community at work here, either. Granted, both the author and the reader presumably have some shared interest in steam engines, but typically the authors and readers of web pages have no previous personal connection, have never met and may never meet each other, and may have very different backgrounds and interests beyond the minimal affinities implicit in the act of viewing the page. The presumed association of giving with community implicit in our straw binary is nowhere to be seen.

Digital communities

This is not to say, however, that there is no connection between digital gifts and communities (nor is it to say that there is no connection between digital gifts and digital commerce, as we shall see in later sections). The web is also a site of community
interaction, and inevitably, given the central role of gifts in the web, these interactions are
fuelled by digital gifts.

Social networking sites like Facebook and Twitter, for example, rest on a constant flow
of material that is freely shared by their users: status updates, tweets, links to interesting
web pages, photographs, and even videos. On Facebook, in particular, a high proportion
of such sharing occurs between people who already know each other offline (Ellison,
Steinfield and Lampe 2007: 1155), and thus serves to consolidate and sustain existing
relationships that have roots in face-to-face interaction. It is a little counter-intuitive to
think of status updates and tweets as gifts: the closest offline parallel is arguably
conversation rather than gift-giving. Yet we may also compare them to newspaper
stories, which have traditionally been supplied as (parts of) commodities and by contrast
with these status updates and tweets are a de-commodified form of media: a gift form.

There are, however, multiple kinds of community on the internet. On Facebook, offline
communities of interaction are reproduced (and sometimes expanded) online. Elsewhere,
communities are constructed that have less, or even no, prior basis in offline interaction.
Again, giving, as the characteristic form of interaction on the web, plays a central role,
but there are important differences between the ways in which giving operates to build
community ties online and offline.

To understand these phenomena we must engage briefly with the long tradition of
economic anthropology of the gift centred on the notion of reciprocity and in particular
on the work of Marcel Mauss (Mauss 2002 [1950]). In counterposing the pre-modern gift economy to the modern commodity economy, Mauss arguably mirrored the community/commodity dualism that is so enamoured of mainstream economics, but there are nevertheless valuable elements in his work. Among these is the argument that gifts create social ties, and help to build and sustain communities, because they tend to create a sense of obligation in the recipient towards the giver of the gift (Godbout and Caillé 1998: e.g. 10, 12). My view is that different kinds of gifts, in different social contexts, have different effects, but that many contemporary gifts do not create a firm obligation to reciprocate the gift with one of equivalent value, as Mauss tends to argue they do (Elder-Vass 2014a). Nevertheless, gifts may help to sustain communities. Thus, for example, personal presents in contemporary Western societies are often given as tokens of a desire to sustain and perhaps deepen the relationship between giver and recipient. In accepting such a gift, the recipient signals acceptance of that continuing relationship, and their intention to reciprocate the relationship. Reciprocation of the gift with something vaguely equivalent at some point in the future may indeed occur, but this is entirely secondary to the larger commitment.

The digital case is different, I suggest, for reasons that derive in part from the technical characteristics of digital gifts. Once a digital product has been created and placed in an accessible location on the internet, and unlike non-digital physical goods and services, the marginal cost of giving away further copies of it is effectively zero. This is one of the reasons that the originators of digital goods are often willing to share them so freely, but one consequence is that the donor’s gift is no longer a sign of a personal commitment to
the recipient, whose degree of disconnection from the giver is so complete that most remain utterly anonymous. Equally, and unlike the recipients of gifts of physical goods and services, those who receive digital gifts may reasonably feel that their receipt of a copy imposed no burden or sacrifice on the originator and thus feel little sense of obligation towards the originator, little sense that reciprocation in some form might be required or expected. The acceptance of a digital gift need not, therefore, lead to any further commitment to a relationship between giver and receive, and may do nothing to develop or sustain a community.

Nevertheless, such gifts may sometimes act as a step in the development of an online community. The recipient may feel moved to reciprocate directly, perhaps in the form of some sign of appreciation—a ‘like’ on a Facebook page, or an appreciative comment in an online forum, for example. Or the recipient may feel moved to make a more substantial contribution of their own. Conversations may begin, connections may be made, recognition of contributions may be made public, and contributors may feel valued for their work. This is the stuff of real communities, though their members may never meet or even know each other’s names, let alone whether they share any affinities beyond the single topic that brought them together. But, unlike the case of offline present giving, there may be hundreds or thousands of free riders, taking these gifts without reciprocation, for every recipient who by responding becomes part of an online community. These are communities to which only the givers belong, and not those recipients who take without giving or giving back.
A particularly attractive case of such a community is provided by Wikipedia. Wikipedia is created entirely by unpaid volunteers, and indeed anyone can edit a Wikipedia page (with a few exceptions). It is run with minimum levels of hierarchy, with disputes being resolved largely by the achievement of consensus under the guidance of a well-developed set of normative standards, and only rarely by the intervention of administrators, who are themselves volunteers selected on the basis of their previous contributions to the project (Forte, Larco and Bruckman 2009). Its product is freely available to anyone who chooses to make use of it. Its running costs are relatively low given the enormous levels of usage—at the time of writing it is the seventh most visited site on the Web (Alexa.com 2013)—and are met entirely by soliciting voluntary donations from users; indeed the site does not even accept advertising.

The users of Wikipedia hardly form a community: their relationship with the pages it provides is essentially instrumental. But the contributors to Wikipedia are a different matter. They contribute partly for reasons of personal satisfaction, as Clay Shirky has stressed in a fascinating account of his reasons (as far as he can tell by introspection) for making his first Wikipedia edit. His first reason—“a chance to exercise some unused mental capacities” (Shirky 2009: 132)—is reminiscent of unalienated labour: work that is done for the sheer pleasure of exercising our creative powers. His second, he describes at first as “vanity” but then as the desire to “make a meaningful contribution” to changing the world (Shirky 2009: 132)—another aspect of unalienated labour: work in which we can exercise our creativity by determining for ourselves what the product of our work will be and how it will impact on the world. And his third, which he considers “both the
most surprising and the most obvious” was “the desire to do a good thing” (Shirky 2009: 133): to do something for the benefit of humanity at large. O’Sullivan suggests that although these motivations may indeed be significant, for many contributors to Wikipedia there are also others that Shirky misses, notably “the attractions of belonging to a community, and of being recognized and valued by that community, especially one which offers a non-hierarchical and collaborative form of organization. Membership gives participants a sense of belonging, a common purpose, and offers mutual support in achieving the aims of the group” (O’Sullivan 2009: 87).

This sense of participation in a community comes not only from the feeling of having made a contribution to a common endeavour, but also from participation in processes of interaction with other contributors (Lessig 2008: 159-160). These processes are highly public, though unseen by most Wikipedia users, and anyone can obtain a flavour of them by simply clicking on the ‘Talk’ tab of any Wikipedia page. Wikipedia editors contribute under pseudonyms, with real names actively discouraged, which severely limits connections between users that extend beyond the scope of Wikipedia itself (O’Sullivan 2009: 88). Yet editors can interact with other editors through the Talk tabs and build up significant prestige within the Wikipedia community under their pseudonyms (indicated for example by being awarded barnstars by other users) as a consequence of making valuable contributions (Reagle 2010: 10), and can also take on more responsible roles as a result (Forte, Larco and Bruckman 2009). This is a community that is driven by giving, though a very different kind of community than the traditional stereotype.
Entanglement

The phenomenon of open source software is a less pure case of the gift economy in action but an equally interesting one. This is software that is supplied (generally for free) along with its humanly-readable program code so that anyone with the appropriate skills can modify or extend it, and under license conditions that permit users to do exactly that (Stallman 2010: 3). This provides the basis for cooperative development of the software, as any programmer can make improvements. Programmers who are interested in contributing to a product are free to choose what work to do on it, and then offer their improvements back to the open source community. An element of hierarchy does exist in these communities, as groups exist which consolidate the most successful modifications into new releases of the product, but despite this there is an unusually low level of hierarchy and centralised control given the complexity of the product. Nevertheless, open source communities have developed some of the most successful software in the world: an organisational feat that would previously have been considered impossible (Benkler 2013: 214). Benkler reports, for example, that such software accounts for “roughly three-quarters of web servers” and “more than 70 percent of web browsers” (Benkler 2013: 220). It also includes Linux, an operating system that is used by most of the major website providers, and Android, a variant of Linux that is now the most widely-used smartphone operating system in the world (Linux Foundation 2012).

Each open source software product develops through the work of an interacting community of programmers, who become part of that community by virtue of the gifts of
labour they make to the community’s joint project. Like Wikipedia editors they engage in debate on how the product of their work should be used, and like Wikipedia editors they may develop prestige and recognition within the community on the basis of their contributions. But unlike Wikipedia, these are not commerce-free communities. Many of those who contribute to these projects are not independent individuals: in the case of the Linux kernel, for example (which may not be representative), only 17.9% of the changes made between 2005 and 2012 were made by unaffiliated individuals (Corbet, Kroah-Hartman and McPherson 2012, 9). The vast majority were made by programmers working for commercial software companies, notably Red Hat, Novell, Intel, and IBM (these four contributed over 30% of the changes). While the data collection method means that some of these programmers may have been working on the project in their own time, it is clear that most of it is paid work, done for commercial companies, who are the real donors of this work to the project.

Commercial companies, like individuals, are responsive to the normative environment they face, and one recent study found that one claimed motivation for these contributions was a sense of moral obligation to contribute to communities whose work benefitted the donating companies (Anderson-Gott, Ghinea and Bygstad 2011, 113). However, both this and other studies have found, as we might expect, that the predominant motivations are more profit oriented. Broadly speaking, these fall into two classes: (a) selling complementary products and services (Weber 2004, 195-203); and (b) benefitting from the rapid innovation cycle in successful open source communities without needing to do all the software development themselves. IT services companies who are actively
involved in developing an open source product develop deep expertise that enables them to provide support and integration services to companies that wish to use that product, and can offer, for example, to write fixes and new function for a customer which will then become part of the open source product (Anderson-Gott, Ghinea and Bygstad 2011, 109). Red Hat, for example, market themselves as “The world’s leading provider of open source enterprise IT products and services” (Red Hat 2012). The second type of benefit was nicely explained by Kevin McEntee, VP of Systems & ECommerce Engineering at Netflix: “We benefit from the continuous improvements provided by the community of contributors outside of Netflix. We also benefit by contributing back the changes we make to the projects. By sharing our bug fixes and new features back out into the community, the community then in turn continues to improve upon bug fixes and new features that originated at Netflix and then we complete the cycle by bring those improvements back into Netflix” (McEntee 2010).

Conventional economists will not be surprised by these profit-oriented motives, but they are being pursued here in a way that has very little connection with the economics of markets. These companies are investing in work that is then released into the open source community for free, in the hope that these contributions will reap returns that are themselves entirely voluntary and somewhat unpredictable. Indeed the most successful of these companies recognise that their success depends on them actively supporting the open source community and its ethos of sharing the software it produces freely, as Red Hat has recognised from the outset (Lessig 2008: 179-184). Once again, we find
commerce and community, not on opposite sides of a binary divide, but interacting, in this case to their mutual benefit.

Individual contributors to open source projects have equally diverse motivations, many of them equally inaccessible to market-oriented understandings of human action. There is no wage for their contributions, nor do they exchange them for some contractually agreed return of value. Why, then, do they make these free gifts to strangers? Some of the motives include elements of self-interest, the focus of Lerner and Tirole’s somewhat economistic analysis (Lerner and Tirole 2002). For example, programmers who make frequent or high quality contributions to open source projects achieve recognition from their fellow contributors and thus prestige within the project community—generally a virtual community, in the sense that face-to-face meetings are rare and largely peripheral to the community process, but nevertheless a source of interaction and validation for its members (213; what Lerner and Tirole call the “ego gratification incentive”). These reputational benefits—symbolic capital, in Bourdieu’s terms—may be valued in their own right but they are sometimes also converted into more material benefits, as for example when a programmer gains a good reputation within an open source community and is then able to secure a well-paid job, or independent consultancy contracts, or easier access to venture capital for a start-up, as a result (the “career concern incentive”: 2002: 213, 217-220). It seems unlikely, however, that the distant prospect of such an outcome provides the initial motivation for many contributors—we must distinguish between career benefits that sometimes accrue and the question of whether the prospect of such benefits is a significant motivator.
Other motivations are more difficult for conventional economics to accommodate. As Benkler puts it, one is simply “the pleasure of creation” (Benkler 2002)—a factor that essentially contradicts economic understandings of labour as a cost that must be compensated for by some other reward. At least some of these programmers are people who enjoy programming, enjoy putting their brains to work at solving problems and creating something of value to a wider community. Theirs is the pleasure of unalienated labour, labour in which the worker chooses her task, controls her own labour process and product, can interact with others involved in the process as a free and equal individual, and can exercise her creativity for the wider benefit of humanity (by contrast with alienated labour as described in (Marx 1978 [1844], 74-6). This is labour freed from the tyranny of the market, a kind of labour that is sometimes denigrated as a mere hobby, and yet a kind of labour that is intensely productive of the flourishing that our economies so often fail to generate.

**Inducement gifts**

Cases such as the free development of open source software by companies that sell complementary goods and services are a variety of a more general form of gifts that we may call *inducement gifts*. In inducement giving practices the donor gives in order to induce a commercial transaction, or a series of such transactions, that are collectively of *greater* value to the giver than the original gift. This is another type of giving that is growing rapidly as a result of the possibilities opened up by digital technology (Anderson 2009). Unlike many other giving practices, which often represent economic forms that we
may see as alternatives to, or in competition with, contemporary capitalism, inducement giving is giving turned to the service of capitalism. Within this cluster of practices we constantly find “an entanglement of gifts within the commodity form” (Fuchs 2008: 171). Inducement giving is a set of non-exchange practices deep within the commercial economy (but also a set of practices with relatively little relation to anything resembling traditional conceptions of community). One implication is that even if our aim is only to understand the commercial economy we must also take account of other kinds of motivation and other kinds of practice than those analysed in commodity exchange models of commerce. At the same time, we can see here a tussle for control of important economic spaces, in which there is a kind of colonisation of giving going on, in which the commercial economy acts back on the form and usage of giving practices.

Inducement gifts are not themselves part of an exchange, nor is there a strong normative requirement for a reciprocal return of equivalent (or even different) value. Any return by the recipient is entirely voluntary, but the gift is nevertheless designed to produce such a return. So this is a variety of giving that may sometimes generate an element of reciprocation but a very different kind of reciprocation than that involved in pure exchange, first because it is voluntary, and second because it is often far from equivalent in value. There are at least three significant varieties of inducement giving.

In the first variety the inducement gift is intended to induce subsequent exchanges in the market. We may call these marketing gifts. Anderson, for example, describes the strategy adopted in the U.S. in the early twentieth century to market Jell-O, a gelatine-based food
product. Unable by law to sell their product door to door, the company’s sales force gave away recipe books with recipes for using the product instead. The result was to encourage consumers to buy the product in order to try out the recipes (Anderson 2009: 9-10). This has long been a fairly widespread phenomenon in commercial economies, but it is one that has been given a new lease of life by digital developments. One contemporary digital case is the phenomenon of “advergaming” in which companies give away computer games that feature their products in ways designed to encourage the gamer to buy them (or ask their parents/carers to do so) (Lumpkin and Dess 2004: 166). This is also the logic behind the currently rapidly growing phenomenon of free computer games in which gamers can make accelerated progress or enhance their participation in other ways by making in-game purchases—a $2 billion market in the U.S. in 2011 (Cheshire 2012: 139). Such gifts do not entail an obligation to reciprocate, but they are designed to induce a response that generates a return to the original giver. That response, however, is not a return gift but a market exchange in its own right, from which the original giver expects to make a profit.

The second variety of inducement gifts is what I will call solicitation gifts. These gifts are linked to a request for a return gift that is nevertheless entirely voluntary. The origin of the name is the case of the beggar’s flower: a gift given by a beggar that is then followed by a request for a return gift of money. In principle the return gift is optional, but, if one accepts the flower, reciprocation may be strongly expected by the giver and the recipient may experience strong criticism from the giver if a return gift is not made. Such cases approach quite closely to the principle of reciprocity, despite being nominally free, and
one clear reason for this is that the beggar’s flowers are a limited resource. Whether the beggar has bought the flower, grown it, or picked it from the roadside, there is some cost to the beggar in replenishing their supply so they need to ensure that they achieve a reasonably high rate of reciprocation. When potential recipients are aware of these expectations, accepting the flower is more or less a signal of intent to reciprocate.

Solicitation gifts depend in part for their effectiveness on the cultural associations they invoke: the sense discussed earlier in which gifts are signs of mutual commitment, and the expectation of fair reciprocity that is built into some types of giving. Such associations can be exploited in a variety of commercial contexts to provoke returns to the original giver that carry the outward form of market exchange (unlike the return gift to the beggar) and yet are motivated in part, not by the purchaser’s need for the thing purchased, but by a sense of normative obligation to the seller.

In the digital economy the virtually costless nature of digital gifts changes the dynamic of solicitation gifts radically. When the digital gift is effectively free (at least at the margin) to the giver as well as the recipient, the giver can afford to give away vast numbers of gifts even if the rate of reciprocation is extremely low. In such circumstances it is not necessary to pressure the recipient for a return and there can be a much stronger sense in which the return is voluntary for the original recipient. This is a practice that has mushroomed recently in the smartphone app market (though it has roots in the PC shareware movement). Many software apps are available from the app markets in two forms: a free form and a paid form. Nominally the paid form may be superior in some
way—the ‘freemium’ business model (Anderson 2009: 26-7) but in practice the free version is often very close in functionality to the paid version—it may, for example, do everything that the paid version does but include a start-up screen encouraging the user to upgrade to the paid version, or it may be identical to the paid version except that advertisements are displayed on certain screens. Another feature of these apps is that even the paid versions are remarkably cheap—perhaps a twentieth or a fiftieth of the price of a console game.

In cases where the paid version is markedly superior to the free version, we may regard the free version as a marketing gift, designed to induce the recipient to purchase the paid version. But in cases where the paid version is very similar to the free version, why do users upgrade? No doubt there are many reasons, but one is simply the feeling that the suppliers of the app deserve a reward for providing something that we experience as having significant use value. Such feelings are encouraged, though fairly subtly on the whole, by introductory messages from the developers and by occasional comments by other users. For a purer case of this phenomenon, consider the launch of the album *In Rainbows* by Radiohead: “Rather than release its seventh album into stores as usual, the band released it online with the request that you pay as much or as little as you wanted. Some chose to pay nothing… while others paid more than $20. Overall, the average price was $6 (Anderson 2009: 153).

The return gift in these cases is itself a further free gift, but it is one that is motivated by a sense of the justice of paying something for what we have received. These are not
reciprocal gifts in the sense that reciprocation is *required* by either gift in the sequence, yet they do share something of the spirit of reciprocity.

Let me call the third variety of inducement gifts *loaded gifts*. These are gifts whose acceptance or use automatically entails a return gift that is in a sense hidden, or at least an implicit rather than an explicit element of the process. A prime contemporary example of this is Google search. When a user searches the web using Google, the search results that are returned are a gift from Google, a service that has value to the recipient but for which there is no charge. Yet at the same time, the user returns two implicit gifts to Google: the gift of their attention, and the gift of information about their interests, in the form of the search terms that they have entered. Google in turn frequently makes use of these gifts to present advertising to the user, using the information supplied by the user to identify which adverts would be most relevant to the user’s current interests. At this point, Google has not yet realised any value from the user’s gift, but if the user then clicks on one of the ads Google collects a commission from the advertiser. This is what Anderson calls a “three party market” (Anderson 2009: 24-5) and in some respects the basic structure is similar to advertising in conventional media: the media publisher sells the attention of its readers to advertisers, thus generating a commercial transaction from that attention. One of the things that makes Google different from most conventional publishers (though not all) is that the reader is acquired by giving a gift: in this case, free search results.

One might doubt whether Google’s search results are really a gift at all, or perhaps a form of exchange. And are these search results, if they are a gift, a form of free giving—a gift
that entails no obligation to reciprocate—or a form of reciprocal giving, since there is an element of reciprocation built into the nature of the process? It is tempting to think of Google search as a mix of gift and exchange—a particularly clear example of the “entanglement” of the gift and commodity forms stressed by Fuchs (Fuchs 2008: 171, 185), or of what Lawrence Lessig calls “hybrid economies” (Lessig 2008: chapter 7).

Such hybrids are becoming increasingly important, but they do not rest on a single model of interaction between commerce and community; many such forms are possible, and they will continue to coexist with purer forms of the commerce and community models. These many forms of digital gifts and digital hybrid economies reinforce an argument that has been made particularly effectively by the feminist geographers J.K. Gibson-Graham: that the economy we occupy is not straightforwardly or overwhelmingly a capitalist (or commercial) one, but already a radically diverse economy (Gibson-Graham 2006). The new forms that are emerging in the digital economy simply increase that existing diversity.

**Conclusion**

This paper has deployed examples of digital giving practices to support a series of interlinked arguments about the relations between commerce, community, and giving itself. Perhaps the most striking conclusion is that different giving practices stand in radically different relations to these phenomena. Consider community: contributions to Facebook help to sustain and extend existing offline communities; contributions to Wikipedia develop a virtual community that includes the givers but not the receivers; and
Google’s gifts of search results do not develop a community at all. Digital giving cannot be simplistically identified with community as if there were some simple, consistent, and universal relation between the two. Consider commerce: Wikipedia is a commerce-free environment; Facebook provides a space for individuals to share freely with each other, yet is provided for profit and disfigured by commercial advertising; while inducement gifts are given purely in order to generate linked commercial transactions. Digital giving cannot be simplistically separated from commerce, as if the two were utterly antagonistic, and yet some forms of giving offer real alternatives to commodity exchange as a form of organising our provisioning and thus our economy. And in some of these spaces, giving is implicated in both community and commerce, which coexist, overlap, and interact.

One reason for focusing on digital giving is to unsettle the common assumption that giving is in some way a pre-modern activity. Robert Garnett has argued that we must “undo the modernist separation of economic science from economic anthropology—to recognize that a market-based economy is characterized by the very ‘premodern’ qualities commonly ascribed to gift economies such as thick sociality, complex networks of interlocking obligations, and temporal separations of outlay and return” (Garnett 2010: 127). Garnett rightly problematizes the assumption that such qualities are premodern with his scare quotes but I would also wish to move beyond the related assumption that it is only anthropology, with its focus on predominantly nonmodern economies, to which economics needs to connect. Contemporary giving is not the same as nonmodern giving; contemporary community is not the same as nonmodern community; and it is the contemporary forms of these that economics needs to come to terms with. The
commerce/community binary is above all a device for excusing economists from engagement with the thick sociality of actual economic practice, as Garnett suggests, and to my mind this demands a thorough engagement with the sociology of economic life as well as with the lessons of anthropology. There is more than one modernist disciplinary wall that must come crashing down if we are to recognise the fully social, complexly determined, and culturally specific nature of commodity exchange as well as of the gift economy.

Rejecting the dualism of commerce and community is just one step towards a wider recognition that both are intensely social, that both are diverse, and that the mainstream tradition of understanding the economy as a set of highly stylised “markets” in which faceless optimising rational actors interact briefly at the moment of exchange is utterly inadequate for the explanation of any part of the economy.

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References


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**Notes**

1 For related arguments, see for example (Gibson-Graham 2006) and (Negru 2010).
The primary exception is web sites that only allow access on a paid basis, whether pay-per-view or through a subscription. Content provided on this basis is not a gift but a commodity.

I thank Dave Beer for making this point in a seminar at the University of York on 5 June 2013.

I have criticised the tendency of Mauss and his followers to see the gift economy as so firmly oriented to reciprocity that it becomes little more than an alternative form of exchange (Elder-Vass 2014a). Nevertheless, reciprocity does play a significant role in some giving practices.

This paragraph is based largely on material from O’Sullivan (2009), and Reagle (2010).

For more on open source software as a form of gift economy, see Elder-Vass (2014b), upon which much of this section is based.

At the time of writing, many of these games are delivered through Facebook.

App is another word for a computer program or piece of software, usually used to refer to a program that can be used on a smartphone. I follow usual practice here in calling the sites from which apps can be acquired markets, although the term is thoroughly inappropriate when the apps are free.

This business model is explained thoroughly by Battelle (2005: chapters 5-7) and Levy (2011: part 2).

Free newspapers have become increasingly common in recent years.