

## CHAPTER 4

# P2P and the Structure of World History

P2P is not something new. It has existed since the dawn of humanity and was initially the dominant form of relationship in nomadic hunter-gathering societies. In industrial capitalism (and later in state-socialist systems) the commons and P2P dynamics were driven to the margins. However, with the affordance of P2P-based technologies, the commons and P2P dynamics can now scale up to a global level and create complex artifacts that transcend the possibilities of both state- and market-based models alone.

### 4.1. Four Modes of Exchange

A basis for our approach is provided by the Japanese philosopher Kojin Karatani (2008, 2014), who understands human history through modes of exchange. Karatani proposes that the relationship between humans could be seen in terms of exchange in a broader sense. By ‘exchange’ he also refers to ‘allocation’; hence we use these two terms interchangeably. For example, in primitive societies, collaborating people share the products of their labour. Their relations are reciprocal and can be seen as a mode of exchange. In class societies, some people work for others either by force or for money. These relations can be seen as different modes of exchange.

In his early work, Marx had used the notion of exchange in such a broad sense. In particular, he used the German word ‘*Verkehr*’ that stands for intercourse/traffic. In *The German Ideology* (Marx and Engels, 1846), ‘*Verkehr* implied diverse notions of trade and war between family and tribal communities, and even communication in general, not to mention traffic in a narrow sense’ (Karatani, 2008: 572). Marx abandons the concept in *The Communist Manifesto* in 1848. Karatani (2008) claims that the abandonment was due to Marx’s submergence in the study of economics. Marx focused on the study of the capitalist

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economy limiting his observation of exchange to one modality, namely, commodity exchange. Thus, the state, the community, and the nation had a secondary role. Karatani suggests a return to the notion of *Verkehr* to address those matters more comprehensively.

He considers the state and the nation as derived from the modes of exchange rather than exclusively from commodity-exchange: 'In *Capital*, Marx tried to explain these grandiose and illusive systems from the basic mode of commodity exchange. We can see the state and the nation as historical derivatives of the basic modes of exchange. Neither is a communal fantasy nor ideological image; they have firm and necessary grounds. That is precisely why they cannot be easily dissolved' (Karatani, 2008: 573).

Karatani shows how the state, under absolute monarchy regimes in Europe, strengthened but also subordinated market forces, until these forces, through political and social revolutions, subordinated the state. Markets became strong in Europe because they had existed at the margins of the imperial systems, and did not have to face the unchallenged and robust power of imperial centralization. This gave market forces a unique historic opportunity to first grow in the 'free cities' of medieval Europe.

As the capital-state nexus destroyed previous forms of community, a new form of 'imagined community' (Anderson, 1983) emerged that became the nation. Capitalism is the convergence of the dominant capitalist market logic, the subordinated state logic, and the equally subordinated logic of the nation. These modes of exchange (Table 2) have always existed but in different combinations reflecting different configurations of dominance.

The first mode (Mode A) includes the reciprocity of the gift and is based on the 'community'. The second mode (Mode B) is related to ruling and protection and is based on a state-like apparatus (for purposes of simplicity, we shall call it the 'state'). The third (Mode C) involves commodity exchange, and is based on the 'market'. It corresponds to a subversion of the state form of power modality and imposes its power structures in the name of free exchanges in the marketplace. Therefore, capitalism emerges when the capitalist market becomes dominant and subordinates the 'community' and the 'state' to its own needs. The fourth (Mode D) is the possible mode of 'association', which would transcend the power of the state and the class divisions of the market.

Each modality changes as it becomes constrained by the influence and domination of other modalities. For example, the form of 'community' is the first band (under nomadism) then the tribe, next is the agricultural or territorial community under imperial systems, and finally becomes the nation under the domination of capitalist systems.

In a nutshell, Karatani recognizes four transitions in human history. A first transition occurred when the pooling of resources in nomadic bands was replaced as a dominant modality of exchange by the reciprocity-based gift economies of tribal systems. This allowed a scaling from bands to clans, tribes and inter-tribal systems and therefore, created a world that consisted of a collection

Types of mode exchange	Mode A: Community	Mode B: State	Mode C: Market	Mode D: Association
Description	The reciprocity of the gift (or 'pooling' through commons)	Ruling and protection (also called: 'plunder and redistribute')	Commodity exchange (capitalist market)	It transcends the other three (the return of mode A at a higher level of complexity)

**Table 2:** Types of Mode Exchange.

of tribal mini-systems. Karatani links this shift to the settling of a nomadic population (sedentarization).

A second transition occurred when reciprocity-based systems of tribes were replaced by state-like systems, based on the logic of 'plunder and redistribute' or 'rule and protect'. This allowed scaling at inter-tribal and inter-community levels and, therefore, created a world of world-empires that competed with each other.

A third transition occurred when the capitalist market form replaced these systems as the dominant mode of exchange. A global world-market system was created in which nation-states competed with each other, which Karatani characterizes as a world economy.

Finally, he foresees a new transition towards the 'association', a mode of allocation that will integrate the previous ones but will be dominated by the pooling that was originally dominant in the early nomadic groups. Karatani calls this modality 'associationism'. Associationism (Mode D) is characterized by the recovery of the principles of reciprocity (Mode A), on a higher level, and beyond the state and capitalism (Modes B and C). However, Karatani stresses that associationism does not exist in reality but exists only as a 'regulative idea'.

Karatani's description of the 'association' mode is congruent with our idea that we may be at the threshold of a new type of civilization, based on a new mode of exchange/allocation in addition to a new mode of production. A particular aspect of his argument is that 'association' is not just a return to the reciprocity of the 'community', nor a pure nomadic band structure, but a new structure that transcends all three preceding structures.

Pooling and gift economy dynamics dominated 'community' while 'association', in the case of the digital commons, enables various kinds of pooling. The 'association' is an attempt to recreate a society based on the 'community', but at a higher level of complexity and integration retaining individual freedom.

As discussed below, this new integration strongly assimilates reciprocity mechanisms around the pooling and mutualization of productive knowledge. Before we move on with the pre-figurative transition towards the modality of 'association', it is of particular value to more deeply explore how this integration

becomes apparent in contemporary community-driven struggles striving for autonomy and collective organization.

## 4.2. Towards Associationism

We can now argue that one of the central goals of the P2P theory is to investigate the transition from social forms based on the domination of the market forces (capitalism), to social forms based on P2P network dynamics. So, P2P theory should be at the service of the forces of transition that work for the emergence, advancement and eventual domination of associationism.

Let us stress a few points made by Karatani. First, all systems are multimodal, and the transitions depend on struggles for dominance among the co-existing modalities. In an existing configuration of systems, transitions occur because a formerly subordinate mode of exchange, through prefigurative changes, achieves dominance in a new configuration. In this scenario, political and social revolutions occur as the result of previous structural changes, not as a prior condition to it. There have to be capitalists or merchants in a feudal system for capitalism to become dominant eventually. By extension, this means that there have to be commoners for the commons to become the core of the next system.

In addition to the physical commons on which humanity still depends, but which have been subordinated and weakened by capitalism, there are new digital commons that are innovative and productive even in the context of a capitalist market and state. This means that integrated production systems, which include digital commoning, often outperform the systems that do not use these methods. This is true both for systems in which capital integrates the commons as well as for systems in which the commons integrates the market. There is a growing band of self-organized commoners, existing within the dominant mode of capital.

The current form of transition, therefore, entails strengthening the autonomy of the commons modality and, hence, strengthening the power of commoners vis a vis other modalities. This multi-modal strategy is at the heart of our approach, and makes it differ from the previous approaches that were (and still are) based on the conquest of state power by classical 'labour movements'.

The strength of capitalism, Karatani argues, is the integration of three modalities in a system that includes capital-nation-state (i.e. an integration of a dominant 'market') but allied with the 'state' and even the 'community' (the national community as the locus of reciprocity and an 'imagined community' that attempts to resurrect the lost 'community'). This is, he says, why capitalism is such a robust system since whenever capital gets out of line and creates imbalances in society, the nation (that is the community of the nation-state) forces the state to discipline the capitalist market.

This is also the source of the insight of Karl Polanyi (1957) about the famous 'double movement' (the periodic capacity of the people to re-discipline

the imbalances of capitalism, through the state). One of the critical issues today is precisely that the double movement does not seem to work because the state has become a market-state, which is too controlled and subservient to the power of transnational capital.

But, as we explain in Chapter 5, a strategy that solely relies on the nation-state as counter-power to transnational capital is doomed to failure. Of course, until there is a widespread and robust enough network of commons activities, the positioning of the nation-state as counter-power to transnational capital might also be a necessary component of any viable strategy. The good news is that there is an alternative strategy. That alternative strategy is based on strengthening the new prefigurative system and a new integrated set of institutions with a new configuration of the pre-existence modalities under the 'domination' of the commons.

Contemporary politics should no longer be only about the balance in the trinity of capital-nation-state. It should no longer be about anticapitalist struggles that can be seen as either a struggle for a new balance within the old system, for a more significant piece of the pie within the old system, or to create an alternative state-based distribution system. In reality, these are tantamount to a restoration of the Mode B ('state'), which is what the socialist revolutions attempted and failed to achieve in any lasting way. Contemporary politics should be about post-capitalist, commons-oriented construction and struggles. The new configuration could be as follows.

Firstly, the new dominant model will have at its core a neo-nomadic contributory system that all citizens can contribute to. The Internet allows cognitive labour to take place from various physical locations and facilitate the generalized pooling and reproduction of knowledge.

Secondly, this sphere of the commons will be surrounded by productive entities, which will likely use 'reciprocity mechanisms' both internally and externally. We call this the commons-oriented entrepreneurial coalitions that create livelihoods for the commoners and their commons.

Thirdly, in their external mode of operation, these entities discipline the 'market' through the exigencies of reciprocity. This means that they also reintroduce the 'moral or ethical markets' that were dominant before capitalism.

Let us remember Chapter 2 where the micro-economic trinity of CBPP institutions was described. We now argue that it corresponds to the three great spheres of social life: the productive community corresponds to the civil society with its citizen-contributors; the entrepreneurial coalitions, to the economic society of market entities; and the for-benefit association corresponds to the political society of the state.

The for-benefit associations of the CBPP ecosystems are, at the micro-level, a snapshot of 'the state of CBPP', in that they serve the 'common good' of the whole system. They are responsible for the 'field' within which the different players – that is the productive communities and the participating entrepreneurial entities – operate. They take care of the infrastructural needs and the

common good of the ecosystem. They are also capable of imposing binding rules on the relevant domains. These associations are not merely based on contracts between individuals but are autonomously governed institutions that represent the different stakeholders.

Hence, seen at the macro-level, this allows us to look at the evolution of the state in a commons-centric society as a 'partner state.' The public authorities would empower and facilitate the direct creation of value by civil society at the scale of territory, by creating and sustaining infrastructures for commons-based contributory systems. Any facilitating and capacity-creating action from the state today could be considered as a prefiguration of a full partner state in the future. Citizen-commoners and their social movements would drive the existing state form into partner state forms that recognize the individual and collective autonomy of citizens, just as the civil rights, suffrage, labour and women's movements forced the state to adapt to new social demands.

As long as we live in an unequal class-based society, a state-based mechanism is arguably needed. The State (capitalized) in the Hegelian notion is the guarantor of the common good. It is an abstraction encapsulating the community as a whole, including its institutions; it is the absolute ends of diverse individuals but also owes its very existence to them. The nation-state is currently in crisis but has been the imagined, yet not unreal, community that has served as the theatre of struggle and transnational movements, such as the internationalist labour movement. Social movements are therefore unlikely to obtain anything outside that frame, while they are often themselves reverting to it.

De Angelis (2017) analyzes both the commons and social movements as enabling environments where individual emancipation takes place. They interrelate insofar the commons provide alternatives, for which the social movements may strive. The process of social revolutions necessitates an alignment of commons with social movements, synchronizing their respective sequences 'to turn the subjects of movements into commoners and make commoners protestors' (De Angelis, 2017: 371). They thus become mutually reinforcing, through the expansion of the commons, which in turn forms a new basis for more powerful movements. CBPP then serves as a driving force for the material recomposition of the commons. It enables the conditions to sustain livelihoods for commoners and the deployment of social force to reconfigure their relations to the current social systems, including the capital and the state.

Therefore, social movements, which emerge from the shift towards CBPP, will exert pressure on the state. If they become majoritarian, a transformation of the state form from the present 'market state' to a 'partner state', which would represent the interests of the commons, is possible. Ideally, as this state and commons-based civil society would create the conditions for a re-emergence of human equality, the state would gradually be 'commonified' (as opposed to privatized) and radically transformed.

Similar to the strategy of transvestment of capital, this is not an 'all or nothing' proposal and could occur at all kinds of scales. However, for real systemic

change to occur at the macro-level of global society, it would eventually require the reorganization of society under this new configuration. This means that while our strategy is reformist, as it works within the existing configurations, it is also revolutionary in the sense that it is based on the understanding that the current extractive system must at some point transform to a new configuration.

Our approach is related to the theorization of ‘revolutionary reforms’ by Andre Gorz (1967). A revolutionary reform is acceptable to the existing system but also creates conditions for its transformation. The establishing of a basic income could be an example of this, as it may break the necessity for labour to be commodified, and liberate time and effort towards the construction of self-chosen commons-producing activities.

A historical analogy may be useful here. In her essay on the emergence of guilds in the twelfth century, ‘The Silent Revolution’ (2008), Tine De Moor describes how the guilds organized labour solidarity, while recognizing, and being recognized by, the existing power structure. At some point, the merchant guilds would evolve to become the new capitalist class that would finally take power in a new configuration.

While the international system of states is failing to address global challenges, and with the idea of a global state looking quite unlikely to emerge – let alone it being also highly undesirable – the nation-state system remains the only viable form of governance able to guarantee rights and protections. A first step would be to complement it with new transnational institutions and networks with a cosmo-local direction that will build upon state power while laying down the foundations to transcend it.

Chapter 5 discusses how commoners could evolve to become the new ruling class in a commons-oriented configuration or in what Karatani calls ‘associationism’.

# THE THREE GREAT SPHERES OF SOCIAL LIFE

ALL SYSTEMS ARE MULTIMODAL AND TRANSITIONS  
DEPEND ON STRUGGLES FOR DOMINANCE AMONG THE  
CO-EXISTING MODALITIES.

## REVOLUTIONS

OCCUR AS THE RESULT OF PREVIOUS  
STRUCTURAL CHANGES, NOT AS A  
PRIOR CONDITION TO THEM.



THERE HAVE TO BE COMMONERS  
IN ORDER FOR THE COMMONS TO BECOME  
THE CORE OF THE NEXT SYSTEM.



The new ecosystem of value creation  
corresponds to the three great spheres of  
social life: the productive community  
corresponds to the civil society with its  
citizen-contributors; the entrepreneurial  
coalitions to the economic society of market  
entities; and the for-benefit association to the  
political society of the state.

