Virtual Economies and Virtual Selves

Academic Year 2015-16, Hilary Term
Day and Time: Tuesdays 9:15am-11:15am
Location: TBC

Course Provider:
Dr Vili Lehdonvirta, Research Fellow, Oxford Internet Institute
vili.lehdonvirta@oii.ox.ac.uk

Background

Do Internet technologies give rise to radical social change, or are they simply extensions of existing social, economic and geographic processes and inequities? Early thinkers of the emerging Internet saw it as a new digital cyberspace that transcends the material world and its societies, creating new “virtual” societies and identities to replace them. Later accounts showed that this view was misguided, and sought to reduce the net’s effects to its material, social and political underpinnings. In some areas, the debate has recently been reignited. Artificially scarce digital markers in games and social media services have given rise to emergent “virtual economies”, while advances in cryptography have allowed decentralized cryptocurrencies to seemingly challenge national currencies. Innovations in crowdsourcing and prosumer work reconfigure productive processes and create new international divisions of digital labour. All the while people’s online identities in social media seem to take trajectories of their own. Are we witnessing a re-emergence of the virtual?

Course Objectives

This course offers a tour of selected cutting-edge phenomena where Internet technologies seem to be at the root of radical social discontinuities. In particular, the course focuses on discontinuities related to economic institutions and experiences of the self. For each phenomenon, relevant theory and background is introduced from science and technology studies, sociology, economics, and computer science, as well as from practitioner literature. The students are then given the opportunity to analyse and debate for themselves whether cyberspace does transcend the material.

Learning Outcomes

Upon course completion students will:
• Understand the debates concerning Internet-led social change and how they relate to virtual identities and economies.

• Possess the conceptual tools to analyse whether a social change is caused by technology or whether technology is implicated in it in other ways.

• Be familiar with a range of “virtual” phenomena where Internet technologies seem to create opportunities for social change, particularly in the areas of economic institutions and experiences of the self.

• Be able to situate these novel phenomena in larger theoretical and historical contexts.

• Be able to assess critically the future potential of virtual economies and experiences to bring about social change.

**Teaching Arrangements**

There will be eight weekly two hour classes which consist of lectures and discussion. Eight topics will be covered: (1) Theories of Technology and Social Change; (2) Virtual Consumption; (3) Virtual Identities; (4) Virtual Production; (5) Virtual Markets; (6) Virtual Migration; (7) Virtual Governance; and (8) Virtual Money. Sessions 3 will be led by Dr Bernie Hogan, other sessions by Dr Lehdonvirta.

Before every meeting, students are required to submit a brief (one page) critical reflection on the readings. The reflections can (but need not) be structured around one of the following two questions: Does cyberspace transcend the material in this instance? Does the technology in question give rise to radical social change, or is it simply extending existing processes and inequities? The reflections papers will be discussed in class.

**Assessment**

Students will be assessed through a final essay that is no longer than 5000 words which must be submitted to the Examinations School by 12 noon of Monday of Week 1 of Trinity term. The essay will cover one or several of the course topics, and students will choose a topic in consultation with the course provider in advance. The essay should be clearly related to the topics of the course. Students are not required to write a formative essay, as the weekly reflections on readings fulfil a similar purpose.

**Formative Assessment**

Weekly formative assignments will be given during class. They will be due the day before next week’s class and will be returned the week after they are handed out.

**Submission of Assignments**
All coursework should be submitted in person to the Examinations School by the stated deadline. All coursework should be put in an envelope and must be addressed to ‘The Chairman of Examiners for the MSc in Social Science of the Internet C/o The Clerk of Examination Schools, High Street. Students should also ensure they add the OII coversheet at the top of the coursework and that two copies of the coursework are submitted. Please note that all work must be single sided. An electronic copy will also need to be submitted to the department. Please note that all coursework will be marked anonymously and therefore only your candidate number is required on the coversheet.

Please note that work submitted after the deadline will be processed in the standard manner and, in addition, the late submission will be reported to the Proctors’ Office. If a student is concerned that they will not meet the deadline they must contact their college office or examinations school for advice. For further information on submission of assessments to the examinations school please refer to http://www.ox.ac.uk/students/academic/exams/submission/. For details on the regulations for late and non-submissions please refer to the Proctors website at https://www.admin.ox.ac.uk/proctors/examinations/candidates/.

Any student failing this assessment will need to follow the rules set out in the OII Examining Conventions regarding re-submitting failed work.

**Key Readings**

A reading list is given below for each class. Items listed under essential readings MUST be read by all students in preparation for the class. Items listed under additional readings are optional, but it may be useful to read at least their abstracts/summaries before the class.

**Week 1: Setting the Stage – Theories of Technology and Social Change**

Do Internet technologies give rise to social change, or are they simply extensions of existing social processes? During the first week, we learn about the theoretical underpinnings of this debate from science and technology studies (STS). In STS terms, the debate can be framed as a conflict between technological determinism (the notion that technological progress causes social change) and various responses to it, collectively known as social shaping of technology (which seek to show how technological progress is socially determined). MacKenzie and Wajcman (1999) is the key text that outlines these positions. John Perry Barlow’s famous manifesto (1996) serves as a powerful illustration of a determinist, cyberutopian position. DiMaggio and colleagues (2001) consider more nuanced ways in which the Internet could influence society, and review a wide range of empirical evidence from the first decade of the Web.
Essential readings:


Additional readings:


Week 2: Virtual Consumption – Material Cultures of Online Games

Can Internet technologies be used to create legitimate new spheres of consumption and social activity, or are online games and communities simply a way to exploit naive consumers willing to believe in fantasy? Edward Castronova (2001) sees virtual game economies as profoundly liberating, while Sarah Grimes (2013) sees them as enforcing their designers' commercial priorities. Lehdonvirta and Castronova (2014) discuss ways in which the 'real' economy and consumption don't always differ from games.

Essential readings:


Additional readings:


**Week 3: Virtual Identities (Bernie Hogan)**

To what extent are we different people online than offline? That is – should we consider a form of ‘digital dualism’ wherein we think of the online world as a separate space, or should we consider it merely an extension of offline life? By focusing narrowly in this lecture on gender and sexuality, we will be able to see both the fluidity of identity through text based constructions as well as the ways that biology tends to constrain our ability to be someone else.

**Essential readings:**


**Additional readings:**


Week 4: Virtual Production – Peer production and Crowdsourcing

Are Internet technologies changing the way production is organized in society? Clay Shirky (2010) argues that digital networks allow people’s unused cognitive capacity to be put into productive use, resulting in such valuable public goods as Wikipedia. But Detlev Zwick and colleagues (2008) claim that the fruits of this newfound consumer creativity are more often appropriated for companies’ private gain, making these technologies a form of systematic exploitation. A mediating position is provided by Frank Kleemann and colleagues (2008), who see unpaid crowdsourcing as part of a larger historical trend of consumer involvement in processes of production.

Essential readings:


Additional readings:


Week 5: Virtual Markets – Digital Infrastructures of Trade

Internet technologies are being used to create new marketplaces for goods and services, from eBay to Uber. Does this mean that we are moving from a world of corporate hierarchies towards a “peer-to-peer economy” or a “sharing economy”? Thomas Malone and colleagues (1987) used a transaction cost approach to predict that digital communication technologies would lead to a greater use of markets instead of hierarchies to coordinate economic activity. Lehdonvirta (2016) asks what consequences electronic markets have beyond economice efficiency.

Essential readings:
Week 6: Virtual Migration – Transnational Markets for Online Work

Are Internet technologies equalizing opportunities in the global economy? John Horton (2010) argues that online labour markets enable something akin to “virtual migration”, where workers from poor countries gain remote access to work in rich countries, with potentially enormous welfare gains. Lehdonvirta (2016) provides a more critical perspective, examining ways in which online labour markets can leave workers dispersed and disembedded.

Essential readings:


Additional readings:

Week 7: Virtual Governance – Distributed Ledger Systems

In the two previous weeks we have examined online marketplaces that allow individuals to transact with each other, while the infrastructures of the marketplaces remain centrally managed. Could Internet technologies reconfigure or even eliminate the power that central economic institutions have in society? The Bitcoin boom has drawn attention to distributed ledger systems, also known as the “blockchain”. Rosov (2015) argues that distributed ledger systems allow individuals to transact without relying on any central authority. Vidan and Lehdonvirta (2016) question how decentralized such systems actually are and can be, using Bitcoin as an example.

Essential readings:


Additional readings:


Week 8: Virtual Money – Bitcoin and The Politics of Alternative Currencies

Money is a central institution in modern society. Given that most money today exists as digital records, what potential is there for Internet-enabled reconfigurations of that institution that result in positive social change? Peter North (2007) sets the stage by outlining the relevant debates in monetary history and the social sciences. Ali and colleagues (2014) at the Bank of England provide an overview of the potentials and pitfalls of digital currencies, using Bitcoin as the leading example.

Essential readings:


Additional readings:

