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Convergence 2008; 14; 401
DOI: 10.1177/1354856508094660

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The Labour of User Co-Creators
Emergent Social Network Markets?

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Abstract / Co-creative relations among professional media producers and consumers indicate a profound shift in which our frameworks and categories of analysis (such as the traditional labour theory of value) that worked well in the context of an industrial media economy are perhaps less helpful than before. Can this phenomenon just be explained as the exploitative extraction of surplus value from the work of users, or is something else, potentially more profound and challenging, playing out here? Does consumer co-creation contribute to the precarious conditions of professional creative workers? This article draws from ethnographic research undertaken from 2000 to 2005 with Auran games (a game development company based in Brisbane, Australia) to engage with debates about the status of user co-creation as labour. The article argues that as a hybrid and emergent social network market these relationships introduce a form of creative destruction to labour relations in the context of the creative industries.

Key Words / labour / social network markets / user-generated content / videogames

Introduction

In December 2006, *Time* magazine celebrated 'You' as the person of the year, recognizing the millions of people who are using and contributing to social networking platforms such as *Youtube*, *MySpace* and *Wikipedia*. These media consumers are now producers. According to *Time*'s Lev Grossman, 'It's about the many wresting power from the few and helping one another for nothing and how that will not only change the world, but also change the way the world changes.' Grossman also observes that 'we didn't just watch, we also worked. Like crazy. We made *Facebook* profiles and *Second Life* avatars and reviewed books at *Amazon* and recorded podcasts' (Grossman, 2006). He views this activity as not just play, entertainment or leisure, but as work. He goes on to observe that this work is contributing value directly to the 'global intellectual economy'. On the one hand, Grossman celebrates this as a new digital democracy but also recognizes that it involves us 'working for nothing and beating the pros at their own game' (Grossman, 2006).

The *Time* article identifies the tensions among the commercial and the non-commercial, the amateur and the professional. The challenging question is whether we are really wresting control from the few and working for nothing for *each other*, or is it perhaps more a case of an emerging form of collective labour that is working for nothing and generating value for a global media industry? Do we, however, get any further in understanding this emerging phenomenon by viewing it simply as a case of 'business as usual' in which consumers are in some sense duped into working for corporate capital and what's more enjoying it? This is a discourse where the creative economy is figured as a way in which capital extracts surplus value and increases profitability by reducing costs and displacing labour. But these transformations in the relationships among media producers and consumers, professional content creators and amateurs, may suggest a shift in which frameworks of analysis and categories that worked well in the context of an industrial media economy are no longer helpful.[1]

We need to move beyond marvelling at the phenomenon of user-generated content to understanding its place in economic, business and socio/cultural circuits. We also need to move beyond commentary that frames user-created content that becomes commercially valuable as a marker of exploited labour. We are interested in the emerging hybrid relations that cut across the commercial and non-commercial social networks and markets. We look at non-monetary, social economies and their central and increasingly constitutive role in monetary or financial economies. But rather than saying the social has become commoditized, we suggest that the extraction of economic value from social relationships is a dynamic and emergent process which also transforms the practices of businesses and capital. The intersection and co-evolution of these two economies (the social/affective and business) produce not outright exploitation of unpaid labour by capital, but a terrain of negotiation and power relations quite different from those of industrial era production. We argue that the unpaid labour of the user-producers, (for example the player-creators in computer games), wields its own form of power – very different to that wielded by paid labour in industrial style production. We also focus on renegotiations of the relationship of professional/managerial expertise with user-led creativity and activism.[2]

To develop and refine this argument about co-creative labour, we draw on ethnographic research undertaken by Banks from 2000 through to 2005 with Auran Games, a game development company based in Brisbane, Australia. The study followed the development of their *Trainz* railroad world simulator game, which was first released in December 2001 (Banks, 2002, 2007).[3] From June 2000, Banks' research relationship with Auran changed when he accepted employment as the company's online community relations manager. In this role he managed relations between the *Trainz* online rail-fan community and Auran's professional development team. This online community grew to well over 200,000 participants. The research included participatory-observation experience of daily work practices at Auran, and extensive interviews undertaken with both Auran staff and members of the *Trainz* fan community. Banks explored the relationships between Auran's professional developers and a network of *Trainz* fans that provided Auran with extensive play-testing, feedback, design input and provision of art content. This research then both described and directly participated in the making and negotiation of co-creator relations. The case study outlines the ways in which the relationship between fan co-creators and Auran was often vexed, with their differing and conflicting

motivations and goals resulting in sometimes stormy relations, as well as valuable innovations.

We argue that Auran's pursuit of user co-creator relationships moves industry production and project practice from a closed innovation model to an open and dynamic model. In the context of labour relations, this shifts our focus from concerns with the exploitation of users such as the *Trainz* fans and the potential displacement of employed creative labour such as Auran's professional developers, which are themes pursued in much of the literature in the area. User-creators are agents who navigate and shape emerging 'social network markets' (Potts et al., forthcoming), the contours of which are still uncertain. We argue that user-led co-creation practice works as something of a dynamic wrecker of industrial era modes of production and associated business practices. User co-creation may not simply be a source of cheap content or unpaid and exploited labour. It may be more a dynamic mechanism for coordination and change – an 'innovation agency' that engineers transformations of business and consumer practices towards open innovation networks. Working from the Auran case-study material, we explore how and when this agency or actor is assembled as labour. At what points do the actors themselves start to deploy the rhetoric and discourses of labour and work? How do these discourses contribute to the construction and meanings of these co-creation relations? We argue that these emerging relations are messy, uneven, multiple and contested. They are not easily or seamlessly incorporated by existing business or employment practices. But nor do these relationships necessarily herald the arrival of a newly empowered citizen-consumer who threatens the interests of corporate capital. Such stark oppositions are not all that helpful when mapping these relationships. As Bruno Latour suggests, we are tracing the associations that constitute emerging 'work-nets' as a way of getting at the 'labour that goes on in laying down net-works' (Latour, 2005: 132).

User Co-creation, the Flow of Value and Labour

Understanding media consumption as a labour practice is not entirely new. Dallas Smythe (1981) and Miller et al. (2001), for example, identify how the activity of consumers generates value for media industries. They use the language of labour to understand the power relations that shape those processes. We want to unpack how the term 'labour' is deployed to understand the creation and flow of value (both commercial and social) in the interactive contexts of new media environments. How do the discourses of labour shape networked production and the modes of agency constituted through these practices? In doing this we are not ignoring the existent practices of media companies, both as described by Smythe and Miller et al., and common industry practices such as focus-group testing. Co-creative consumers, however, are not just a refined form of focus-group testing. They now judge a company such as Auran on how well it responds to feedback and on how well it provides and delivers a service that effectively integrates the consumer across the creative development process. Co-creation relations are increasingly a core part of the consumers'/audiences' media experience and expectations, rather than just an ancillary activity.

Will Wright, the developer of *The Sims* and the forthcoming *Spore*, both games in which players create art content, encapsulates some of the tensions of the emergent co-creation practices. He frames this user engagement as both empowering for the users

and economically core for the publisher. In an interview with *Gamespot*, he says: 'I didn't want to make players feel like Luke Skywalker or Frodo Baggins. I wanted them to be like George Lucas or J.R.R. Tolkien' (Borland, 2006). In an interview with *Wired Magazine*, the interviewer notes that player co-creation contributes direct economic value to the games industry and asks: 'How much of a side benefit is that in terms of keeping the development costs down?' Wright responds: 'That's not a side benefit, that's a primary benefit' (Terdiman, 2005).

The rhetoric of enabling and supporting player creativity, although not disingenuous as such, occurs within particular economic and media industry contexts. Much of the industry interest in the proposed *Spore* approach to content creation concerns the potential to address rapidly escalating development costs in the videogames industry, particularly associated with the creation of art content. Wright is upfront on this as an exercise in cost reduction, in essentially outsourcing labour to this collective intelligence, peer production network. The point here, and which is a central premise of recent studies such as Yochai Benkler's *Wealth of Networks* (2006) and Henry Jenkins's *Convergence Culture* (2006), is that this networked social production is generating both significant economic value and social benefits. Here social networks and markets intersect to create hybrid and emerging social network markets. Neither Benkler nor Jenkins consider user-participation in these emerging forms of cultural production as a form of labour or work. Instead, Jenkins discusses it as a form of collective intelligence and Benkler frames it as a non-market form of social peer production. What are the implications of framing these emerging relations as labour? It bears thinking about if these emergent processes are adopted across a wider set of production contexts – from the obvious examples such as social networking sites like FaceBook and Open Source Software development, to the brand building exercises of global corporations such as Coca-Cola (Spurgeon, 2008), to scientific enterprises such as mapping the craters of Mars referred to by Benkler (2006), or the 'Pro-Am' political campaigns such as the Jubilee Debt Campaign referred to by Leadbeater and Miller (2004).

Discourses of Labour

The linking of the terms 'labour' and 'exploitation' is common in current literature (academic and non-academic) on games and player labour – usually in ways that position the player creators as unknowing and somewhat duped victims of media corporations. For instance, games studies scholars such as Garite (2003), Grimes (2006), Kline et al. (2003), Kücklich (2005) and Yee (2006) all suggest in varying ways that users are unknowingly being seduced into activities of work. Kücklich, for example, suggests that industries tout a rhetoric of collaboration which *masks* their profit-seeking motives – assuming perhaps that players do not understand the value of their contributions – (Kücklich, 2005). In a recent article, Herman, Coombe and Kaye conclude that playing in *Second Life* may well be a 'half-life' of 'corporate servitude' in which participants misrecognize their social relations as part of an intellectual property exchange (Herman et al., 2006: 204). The underlying assumption of these discourses is that players are in some sense unaware that their participation is a productive practice from which economic value is extracted. Here labour is deployed as a category not so much to describe or deploy emerging modes of agency and associations between actors. Instead it becomes an

explanation in the form of critique, which seeks to unveil or disclose social forces that may be at work behind the actors' backs (Latour, 2005: 136). We want to question this 'unknowingness' and suggest from our observations of negotiations within player communities and between players and game industry developers, that players most often do know what they are doing and producing. The user creators, we argue, are often quite competent and canny participants in the making of these relationships.

Understanding these emerging labour practices requires us to examine not just the relations that user creators have with publishers, but also with paid labour. Andrew Ross (2006a, 2006b) challenges us to consider what happens to labour and the labour relations of professional creatives in the emergent hybrid production networks. He argues that the implications of social, peer production for the livelihoods and working conditions of creative workers has been ignored (Ross, 2006a: 3–4). For example, is the games industry's reliance on the art content contributed by the players an effective cost-cutting strategy that also displaces paid graphic artists? The labour conditions of the games development industry are already known to be precarious, with workers often doing unpaid overtime, and working 80–100 hour weeks during 'crunch' times (de Peuter and Dyer-Witheford, 2005; IGDA, 2004). The globalization of the industry has seen wages cut as workers in India and China work for less money than their western counterparts. Thus the adoption of co-creation models of production happens in the context of a labour market where workers are struggling to maintain equitable conditions. Of course these uncertain labour conditions are not just characteristic of the games industry; they are a feature of the creative industries more generally (Gill, 2002; McRobbie, 2002; Ross, 2000).

Does Ross's analysis of the displacement of paid labour lead to an ultimately protec-tionist strategy of current industrial modes of work? In arguing that the displacement of work and the shifts away from models of professional and expert modes of production are undesirable, perhaps Ross misses the potentials for innovation and broadened partici-pation that benefit not just specific professional groups but the economy and culture as a whole. The nature of work changes over time – some kinds of work disappear, new and previously unimaginable kinds of work emerge (how would you explain software engineering to someone in 1920?). It is also possible that the precariousness of work that he very rightly identifies may resolve into new stabilized forms of markets and institutions of work.

Ross does not come to terms with the emerging shape of social network markets in which the flows and extraction of value are very different from a simple displacement of traditional labour by unpaid creative labour. The modes of agency, social network practice and market-based enterprise emerging through these new relationships sit uncomfort-ably with our current understandings of industrial relations and organizations of labour. We cannot assume a labour theory of value in which the productive activity of users is simply exploited by enterprise to displace paid labour. Something much bigger is going on: a process in which economic outcomes sit alongside significant social and cultural outcomes.

Mixing Motives

Benkler (2006) provides a useful analysis of the economics of social, peer production networks. He proposes that the production of knowledge and culture occurs increasingly

outside markets and firms through emerging non-market modes of production. Benkler carefully separates these emerging practices and motivations from market and firm-based economic activity. These practices are supported by a significant shift in the conditions of production associated with the relatively rapid diffusion and widespread availability of information communication technologies; the means of knowledge and cultural production are now in the hands of the consumers. The basic physical capital required to participate in cultural production is 'held by, or readily available to, at least many hundreds of millions of users around the globe' (Benkler, 2006: 32). Benkler develops an argument that distributed peer production networks, which create Wikipedia and open source projects such as Linux, may well be more effective, efficient and sustainable than firm-based market activity. He works from a transaction costs analysis to propose that distributed peer networks are particularly effective and efficient at allocating scarce resources such as 'human creativity, time, and attention' (2006: 107). Human creative labour is notoriously difficult to standardize, specify, price and then organize as an input cost. Firms and monetized markets, however, rely on such contractual specification. The social sharing of non-market peer-production on the other hand does not require or rely on such precise specification (Benkler, 2006: 110–16).

Benkler asks why people participate in peer non-market production when they are not financially rewarded for their work. In considering the participants' motivations, like many before him, Benkler emphasizes the non-monetary rewards, including intrinsic rewards of participation and creativity and social status within a community. He stresses that monetizing such practices may well detract from the motivation to participate and contribute. Extrinsic financial rewards may well 'crowd out' the intrinsic motivations as financial rewards and social motivations 'are not fungible or cumulative' (2006: 96). Mixing financial and social economies is a complex exercise, fraught with incompatibilities: 'Sometimes they align. Sometimes they collide' (2006: 97).

We argue that Benkler's analysis is at its most challenging and provocative not when it positions peer production networks and motivations in outright opposition to the commercial, but when it considers hybrid configurations and the entities that emerge, which are an uneasy and at times messy mix of the commercial and non-commercial, markets and non-markets, the proprietary and the non-proprietary. For example, IBM hires programmers to work on the open-source Linux Kernel and then adopts a non-proprietary business model of providing Linux-related services (Benkler, 2006: 46, 124–5). The commercial and the non-commercial develop something of a symbiotic relationship as our advanced economies increasingly come to rely on what Benkler terms 'non-market' modes of information production (2006: 47).

As social peer production transforms and modifies the shape and conditions of markets, so too the markets and associated enterprises transform the conditions for social networks. Rather than opposing social networks and market-based enterprise we are interested in the dynamic co-evolutionary interrelationships as a 'mutual enterprise of creating values, both symbolic and economic' (Potts et al., forthcoming). Harnessing the economic benefits and opportunities of peer production relies on firms adapting to and coexisting with social networks (Benkler, 2006: 122–3). Rather than non-market, these formations can be seen as emerging markets consisting of new collectives that do not fit comfortably with our current understandings of work and labour relations. These users cannot be managed and directed like employees. To impose managerial controls of the

industrial workplace would be to lose the creative participation and outputs that generate value for the businesses. The emerging co-creation relations are a source of innovation that reshapes the 'market conditions under which businesses operate' (Benkler, 2006: 126–7).

Tiziana Terranova (2000, 2004) provides us with a starting point for understanding these transformed relations between the commercial and the non-commercial, by pointing out that this affective, immaterial labour is neither directly produced by capital, nor developed as a direct response to the needs of capital. This process should not be understood as a straightforward incorporation or appropriation of the free labour of an otherwise authentic fan culture. This free labour has not been appropriated but voluntarily given. The relationships are much more nuanced and complex than the language of incorporation, appropriation or exploitation suggests. Rather, Terranova proposes that the dynamics reconfiguring relations between production and consumption are played out within a field that 'is always and already capitalism'; they are immanent to the networks of informational capitalism (Terranova, 2004: 79). But are these co-creative services and relationships best theorized and analysed through the framework of neo-Marxist labour theory? As Mark Poster (2006) argues in relation to the work of Michael Hardt and Antonio Negri, this resort to a neo-Marxist production-based model seeks to comfortably return critique of capital to the labour process although that process is now expanded and redefined. This approach may miss what is new and radically disruptive and that 'calls for new categories of thought' (Poster, 2006: 54–6). Our proposal of the hybridity encountered in social network markets offers one such possibility.

Auran *Trainz* Case Study: Emergent Social Network Markets

Banks' ethnographic research with Auran Games offers an analysis of the rapidly transforming and reconfigured relationships between users and media industry producers. From 2000 to 2005, Auran increasingly incorporated and involved train and rail fans in the process of designing and making *Trainz*. Using the tools provided with *Trainz*, users can make their own 3D rail world layouts and import 3D models of locomotives, and then share them with other users through the *Trainz* website or directly through their own fan sites. This end-user creativity and innovation is an integral part of the simulation's design.

The commercial success of the *Trainz* project over a series of releases (most recently *Trainz Railroad Simulation 2004* and *Trainz Railroad Simulation 2006*) has come increasingly to rely on the unruly assemblage of an *ad hoc* distributed co-production network of voluntary and commercial fan creators. Here a gift economy of collaboration and open, free sharing of ideas, techniques and know-how connects uneasily with networked forms of business organization and practice. Such forms of collaboration to generate innovation, value and productivity are increasingly relied upon. However, the relationship between the commercial and the non-commercial does not map seamlessly to a fundamental difference between Auran as the commercial, corporate enterprise, and the fan creators as the non-commercially motivated actors. Some creators decided that this environment offered an opportunity to commercialize their operations. Unlike many game development companies and publishers, Auran allows the gamers to commercialize their

add-on content. The standard industry practice is that end-user licence agreements generally exclude customers from commercializing add-on content for a game, while the game publisher claims an exclusive and royalty free licence to commercially exploit content created and distributed by users.

A thriving and successful network of commercial fan content creators now supports *Trainz*. Auran's support for the commercializing of fan content has not been without controversy within the *Trainz* community. Impassioned debates regularly flared on the *Trainz* forum, as some creators argued that this commercialization of fan content should not be permitted. The community was divided on this issue, with a significant group of posters arguing that the commercial fan creators were profiteering from the collaborative feedback and participation provided by the wider *Trainz* community. They argued that this commercializing of a hobby should not be permitted and actively lobbied Auran to withdraw its support for commercial fan-content. Auran maintained its position of continuing to support the efforts of both commercial and non-commercial fan creators. The payware *vs* freeware debates continue to play out on the community forums from time to time, and the network of user content and add-on modifications for *Trainz* continues to be a mix of both commercial and non-commercial participants. Many of the high-profile commercial fan creators also regularly offer free content for *Trainz* as well as contributing content for the official Auran commercial release packages.

Ultimate Trainz Collection (2002), *Trainz Railroad Simulator 2004* (2003), *Trainz Railroad Simulator 2006* and recent add-on packs such as *Trainz Driver* all incorporate third-party fan content as part of the official commercial release package. In effect, Auran relies on a pool of fan labour and volunteer enthusiasm as a routine part of the *Trainz* project. Auran's strategy of involving the fans in the development of *Trainz* was, in part, a contingent response to a difficult commercial situation in which sales did not initially reach anticipated levels. The continuing commercial viability of *Trainz* relied on Auran drawing from fan content as an out-sourcing strategy to lower the increasing costs of art production.

However, it was also a response to the *Trainz* fan community's demand that the game core platform be opened to their creative participation and contribution. Auran management recognized the outstanding quality of the fan art content and sought to encourage this by supporting creators who wanted to commercially release their content.

It would be a mistake, we argue, to view these emerging participatory culture relations as shaped and configured through an *opposition* between the commercial and the non-commercial, markets and non-markets, the corporate developer and the fan community. Rather than being exterior and oppositional terms, these entities that are 'Auran' and 'the *Trainz* fan community' are immanent to these proprietary–non-proprietary and commercial–non-commercial dynamics. Moreover, these entities are far from singular or homogeneous. The fan community itself became a fluid meshing and mixing of the commercial and the non-commercial.

The same actor sometimes shifted across motivational economies; some participants started out as hobbyists, tinkering with the *Trainz* tools, learning skills in 3D modelling, texturing, animation and contributing to the open, peer sharing of content and ideas, then shifted towards entrepreneurial practice. What initially started out as non-monetary practice sometimes developed into market behaviours or hybrid mixes of the two. Other participants distributed their content as strictly freeware. As we have seen, Benkler tends

to emphasize the rigid distinctions between the market and non-market, in an effort to focus on the distinctiveness of peer production networks and motivations, and the value that they generate. Drawing these dichotomies helps as a heuristic device to get at the shape and contour of the emerging relationships. However, we suggest that it is important to maintain a sense of the dynamic negotiations and renegotiations of these relationships. It is also important to recognize that what may appear initially to be socially motivated behaviours, may well turn out to be smart investments in potential markets. The user-creators who establish high-profile reputations and standing in the community may later convert this into market opportunity by selling the content or turning the skills gained into jobs. For example, the current *Trainz* development team includes employees who have been recruited from the fan content creator community. Here social networks and markets are co-evolving in a way that challenges 'the assumption held in most political-economy accounts of media that there is a one-way flow of causation along this "value chain"' (Potts et al., forthcoming). This concept of social network markets foregrounds the dynamic interrelationships among agents, social networks and market enterprise. Understanding these co-creation relations as emergent social network markets then requires us to focus on the co-evolutionary dynamics of change and creative destruction between markets and non-markets (Banks and Potts, 2008).

Many of the fan creators were attracted to the content creators program by Auran's promise that they would enjoy early access to builds of *Trainz* and, more importantly, to direct support from members of the *Trainz* development team. They also viewed it as an opportunity to provide feedback to the development team that may then influence the design of future versions of *Trainz*. The creators who were pursuing commercialization of their content also viewed it as a valuable promotional opportunity.

Auran's reliance on the fan creators for content was not equally supported by all members of the development team. The labour relations negotiated among employed professionals and amateurs became an issue. Some members of the *Trainz* development team, particularly the producer, were sceptical about the viability of relying on fan volunteer creators to meet commitments for a commercial deadline. They were rightly concerned that any problems or delays with finalizing the core code would provide the fan creators with very little time to update and finish their content. Code might significantly change between builds as bugs and problems were identified. This would possibly invalidate work undertaken by the fan creators, requiring them to then undertake extensive revisions to successfully reintegrate their content.

The producer's concern was that the development team just would not have the time and resources available to adequately support the fan creators' efforts to finalize their content, as the team would be fully committed to the crunch phase over the closing stages of development. The producer also worried that the fan creators would not create the content according to Auran's guidelines, and this would then require significant fixing and updating by the Auran team before it could be included with the commercial release build. He argued that it would be less risky to undertake the art work in house, even if this meant reducing the amount of content that would be included with the package. He was unconvinced that relying on the fan creators would actually reduce costs and argued that instead it may create more work for the internal team. Despite these reservations, Auran management decided to continue with outsourcing much of the art production through the third-party content program.

As production progressed throughout 2003 towards the *Trainz* Railroad Simulation 2004 release, it became increasingly difficult for the development team to meet the support expectations of the fan creators. The Auran developers received many emails, forum requests and telephone calls from creators seeking advice and assistance as they worked to finalize their content and meet deadlines. Fan creators grew impatient with the tardiness of replies from the Auran development team. Some abandoned their projects, feeling that it was just not possible to meet Auran's commercial deadlines; after all, for some it was a hobby that they were pursuing on weekends and evenings after work. A few emailed Banks in mid-2003 stating that it was no longer fun and was becoming more of a job, and therefore they had made the decision to resign from the group. They would still work on the content, but at their own pace and release the content, when it was ready, through either the *Trainz* website or other fan sites. Here the language of work and labour emerged at the point where the fan creators felt dissatisfied with Auran's efforts to co-ordinate and organize their content-creation activity. It was Auran's effort to impose the rigidities of project management requirements and schedules that turned this into work and labour for them.

Influential creators expressed concerns about Auran's management of the third-party content program. In June 2003, Prjindigo, a leading third-party content creator, emailed that:

> *The lack of flexibility in scheduling that has been indicated to us with totally impossible fixed deadlines and a half-way announced inability to get us a working version of the first wide beta to do content for one week before it goes to full beta are real turn-offs to the content group . . . The larger proportion of the 3rd party group expected a more smooth and fair treatment in the concerns of time to build and time to test than this schedule has compressed upon them. (Prjindigo, email to Auran)*

His main concern was that the content creators were not being provided with the level of information and support that they needed.

A leading member of the content creation community commented in a forum post:

> *Well, a sound corporate course is plotted. Never had any doubts that Auran would think or act any different from any other commercially driven entity. They got to this point by utilizing hundreds of thousand of free hours provided by the community (be it 3rd party, beta, whatever) . . . but it was always obvious that that ain't good enough for a 'corporate' future . . . For me it's a game, a hobby and mostly fun. If there is corporate background noise – fine. But if that noise levels increase too much it's time to tune in a new station. (Marlboro, 25 June 2004)*

In an email to Banks, this same creator commented about Auran's use of a fan-created steam locomotive model to promote *Trainz* at a major US model train convention:

> *I frowned a bit – wasn't that use for commercial purpose . . .? But as said, darn, I was proud when the news came in.*

> *Well, frankly my feelings towards Auran were always mixed. Since I worked in the industry (automotive) I thought I understood the undercurrents a project like* Trainz *had to impose on Auran. On one hand I admired the guts to approach a niche market, the concept of customer communication, support, innovative ideas, etc. On the other hand I thought to see through a thin veil the attempt to exploit the community. (August 2003)*

Marlboro's email expresses the tension between his enthusiasm and passion for content creation, and his suspicion of Auran's commercial motivations. He also confronted some difficulty in considering these tensions when deciding how to distribute the fan community steam locomotive project that he had coordinated. Here, in the same email, he grapples with the uneasy tensions among commercial and non-commercial motivations:

> *As probably most of the contributors did, I went through the thought-cycle of how to distribute the finished product – freeware, shareware, donation ware, through Auran . . . make no money, recover cost for cigarettes, aspirin and the divorce lawyer, make real money (but if you crunch numbers – even in an optimistic way – you never come to riches). I'm not sure where I stood in that process . . . However, even if you take only a dime you take the responsibility for a flawless product . . . and concern about customer satisfaction might convert a hobby into a burden.*

Auran management's expectation of working closely with such a large group of fan creators on such a limited project timeframe was ambitious, if not unrealistic. They underestimated the level of support that many of the creators needed. But from an Auran business perspective, the project was a success. Many of the creators were also very happy with the outcomes and continue to be an integral part of the ongoing *Trainz* project. Thirty-five third-party fan creators had contributed content to the commercial CD release of *TRS2004* and many fan community members had participated in the beta-testing process. The *TRS2006* release package also prominently features fan content.

This briefly foregrounds many of the controversies and conflicts that have shaped the *Trainz* third-party content creator network. The content creators' views on Auran's practices are varied: there is no singular *Trainz* fan position on these issues. For many, these creative activities emerge from their shared passion for trains and rail; for others it concerns the satisfaction derived from carefully crafting a detailed model, or the social status gained within the *Trainz* community for freely sharing their creations. In some instances, this productive activity is freely given. Others pursue the commercial opportunities that are available for their creative endeavours. The intersection of these diverse practices, motivations and interests generates conflict and tensions concerning when this activity becomes work or labour, how relations with the professional members of the development team are negotiated, how the rights to material are to be negotiated, and who should have access to information and support. The Auran *Trainz* team itself is far from united in its understanding of this collaborative production process. Producers, programmers, artists, community development managers and CEOs have very different understandings of how the relationships should be managed. But it is from these uneven, multiple and messy practices, motivations, negotiations, actants and materials that participatory culture is being made and negotiated. The fact that the work of the fan creators on the *Trainz* project did not entirely mesh with Auran's project schedule points to how this workforce, which mixes both commercial and non-commercial interests, agendas and behaviours as an emerging social network market, can be difficult to control, and participants are guided by their own interests and agendas.

This research with Auran and the *Trainz* fan community demonstrates that gamers are not only well aware of the value they create; they are also sophisticated practitioners who participate in the production network. The player creators tend to strategically deploy the use of terms like 'labour' and 'work' at the point at which they have begun

to feel that the terms of the exchange are unfair and their motivations for participating are not being satisfied. Sometimes it was at the point that the rewards and value of their participation were not fairly recognized by Auran. It is important to note that these motivations are mixed – some are more likely to subscribe to discourses of creativity and art that position their activities as arising from passionate interest and needing only the intrinsic and social rewards of the social economies, while others emphasize the potential to pursue commercial opportunities. The fan creators' refusal to fit Auran's corporate schedules also unsettles and disrupts our assumptions about relations between experts and non-experts in the production of knowledge and cultural products. What would it mean to radically reorganize the development process and associated organizational structures to account for and support the fan content creators' contributions? How would it transform relations among experts and non-experts, professional and non-professionals?

The Shape of New Labour Relations?

For corporations, the use of terms such as labour and work implies obligation, contracts and formalized, regulated relationships with producers, which are institutional forms that do not necessarily fit with peer to peer production that is more *ad hoc* and fluid. However, while the institutional forms may not fit *ad hoc* networks, this does not necessarily imply that there are now no obligations for the firm to meet in relation to user creation activities. We need to explore what new forms of obligations a firm might accrue when it engages with user-creators across the financial and social economies of production. This new model of distributed co-creation is becoming increasingly important across the creative industries, and especially within the domain of digital media. A report of the Organisation for Economic Co-operation and Development, 'Participative Web: User-Created Content' (OECD, 2007)' identifies this as a significant and rapidly growing economic sector that is not just confined to the videogames industry. Ordinary consumer creativity is rapidly becoming an increasingly integral part of the global market capitalism model of production. Thus, while this article addresses these ideas in the context of the games industry, the model is not confined to games, with diffusion through marketing and advertising strategies one obvious example (see Spurgeon, 2008).

Examining the places where the user creators themselves deploy the discourse of work and exploitation helps to both identify the abrasive collision of new practices and old institutions and to overcome the construction of the duped labouring subject of many commentaries. While the social or affective economies (of the player creators) and the financial economies (of the firms and of some player creators) are aligned, and each is deriving the benefits they want from the interactions they have, then terms like 'work', 'labour', 'exploitation' and 'obligation' are rarely raised.

Can the advantages and rewards to users of participation in creative production happily co-exist with the economic benefits to industry? In a recent *Time* magazine article by Justin Fox, 'Getting Rich off Those Who Work for Free', Benkler is quoted as observing in relation to the economic benefits of peer production, that entrepreneurs and companies will only profit from these activities if 'they don't get too greedy'. The challenge here is 'managing the marriage of money and non-money without making non-money feel like a sucker' (Fox, 2007: 33). Rather than being a zero sum game where if

companies derive economic benefit it negates social benefit to the users (and hence is couched in terms of exploitation), is this instead an example of a new articulation of a cooperative and non-zero sum game whereby different motivations and value regimes co-exist? Richard Lanham (2006) argues that in the terrain of the 'attention economy', consumers now oscillate between the economic and the symbolic/cultural. Thus, far from being incommensurable and non-fungible, creative citizen-consumers now transact across these motivation and incentive domains.

These emerging social network markets are social practices through which we experiment and innovate with 'new ways to cooperate across larger and larger scales and devise new ways to play increasingly complex and profitable non-zero sum games' (Beinhocker, 2006: 266). However, at the point when firms over-step the boundaries – perhaps by seeking to guide and control the direction of the production being carried out by player-creators, perhaps by being too heavy handed in their governance strategies within the social environments they control – then the discourse of work and/or exploitation is deployed by the player-creators. But the success of these relationships also depends on methods for distributing the rewards and value generated in such a way that people have an incentive to participate. As Eric Beinhocker observes: 'How the gains of co-operation are divided up is therefore a crucial question. If the rewards are distributed in the wrong way, then cooperation collapses and the non-zero-sum gains evaporate' (2006, 267).

Firms, in harnessing the fruits of this creative labour, are free of the usual financial, insurance and occupational health and safety obligations that as employers they must usually fulfil. However, given that they are now engaging with affective economies, their obligations have shifted to the social sphere, but are as yet ill-defined. The innovations and risk taking of player-creators can be both the most valuable thing about their activities (Postigo, forthcoming) and the most frustrating thing to a publisher trying to meet milestones and deadlines. While the games industry likes to tout itself as a workplace where work resembles play (de Peuter and Dyer-Witheford, 2005), and where autonomy is encouraged in the name of innovation, the reality is that there are risks to management in ceding control in co-creation environments.

The power relations between developers/publishers and players as labourers are, however, uneven, and although we wish to redress the perception of player-creators as duped and exploited, we do not think that this is a collaborative relationship between equals. The power derived from the social economies is not necessarily consonant with that derived from financial economies. When there are abrasive encounters as we have described, it is not always clear who is in control and who the winners and losers are, but it *is* clear that it is not as straightforward as corporate winners and user losers. Here we need a better understanding of the agents and agencies emerging through social network markets.

If the incommensurability of the mechanisms of control within the economies of affect and the economies of finance are to be understood and addressed, it requires us to do some empirical investigation, to tease out where the alignments and misalignments are. We see this as necessary if there is to be any pragmatic and effective strategy arrived at for achieving a measure of social justice and equity around issues of access, ownership and the organization of labour. If monetizing all creative inputs crowds out participation and innovation, that is an undesirable outcome – both for those who wish to

participate and those who wish to harness the value produced through participation. (However it may have the unfortunate consequence of devaluing the work of those who *do* rely on monetizing their creative inputs.) But what are the obligations, conditions and rights pertaining to participation in hybrid social network markets? For instance, what are the existing contractual arrangements between games players and publishers in terms of access? End User Licence Agreements (EULAs) tend to award all power to the publisher, none to the player (Humphreys, 2005). Standard EULAs in online game environments restrict the political, intellectual property (IP), speech, privacy and access rights of players (Herman et al., 2006). Some of these pertain to financial markets (IP most obviously) but some relate more directly to social economies. Rather than trying to shape them to fit an argument about property and commodities it might be more fruitful to address them in terms of their impact on the social economies within the context of hybrid social network markets. Are EULAs the new labour contracts? Creating a politics around the conditions of production needs to start by addressing these issues in terms of the new production modalities. This will necessarily involve engagement with the structures of control and regulation of the social economies. The social has been devalued in most economic analyses to date, seen as feminized and non-financial, and hence of relative unimportance. As economic value comes to be extracted from social economies more and more directly, it will become vital to understand the ways in which mechanisms of social control and obligation operate and articulate with the mechanisms within market economies. Ultimately this can lead us to systems that both optimize innovation and avoid the excesses of exploitation.

We suggest too, that participation in these networks may also be a future investment in developing human capital: skills, competencies and literacies to improve opportunities for participation in these emerging markets and industries. What may at the outset appear to be non-monetary, non-market practices may well eventually provide skills and competencies that can be traded for commercial outcomes – including jobs. This involves conditions of significant uncertainty against which actors operating from a diverse range of motivations are seeking to identify opportunities. What the terms of exchange are, precisely what is being exchanged and what the regulating institutions may be, are still being worked through. This is not a static or closed situation in which we can clearly and precisely define what are market or non-market practices and behaviours. These practices are not simply being incorporated into existing stable market institutions but are potentially redefining what a market is and how it operates in relation to social networks.

The point is not to reduce the social dynamics to their commercial and profit driven outcomes but to recognize that the new formations hold a wide range of benefits and value. These include (but are not limited to) driving economic innovation. From this process new social structures and institutions emerge that may have little reliance on existing structures and will disrupt them. For example, what may initially seem to be a hobby can become new markets, industries or even jobs, as yet unthought of or defined, under the right circumstances and conditions.

Conclusion

In this article we have explored the implications of networked production, not only for economic and market environments, but for the people who are labouring within the network. For waged labour, there is the threat of displacement by unpaid amateurs and the loss or redefinition of work. For amateurs there is the question of whether pursuing their passions through creative production is something to be constructed as 'enabled' by commercial entities or 'exploited' by commercial entities.

If we view networked production as an intersection of enterprise and social networks it becomes possible to identify dynamic relations that are transforming markets. We have identified the ways in which social economies, which operate through gifting, and the rewards of social status or personal satisfaction and the intrinsic rewards of creativity do not necessarily seamlessly meld with the processes of enterprise and market economies. User-led production is messier and often driven by a diverse range of motivations that cannot be marshalled into the institutional forms of industrial style production. The consequences of commercial enterprises coming to rely on this form of production to varying degrees is not necessarily outright cooptation or appropriation, but the emergence of new social network market institutions and processes, in which the commercial entities are changing shape as they seek to harness the productive activities of amateurs.

We have sought to move away from the discursive construction of user-creators as unknowing and exploited people who do not recognize the conditions under which they produce value. We want to take seriously their own, often sophisticated understanding of negotiations with enterprise, and their decision-making in the directions of both commercial and non-commercial production. The case study has shown how these negotiations are carried out on the ground. The diverse motivations of player creators must be accounted for in any description of networked production.

In trying for a more nuanced account of labour in a networked production environment, we are not seeking to deny the uneven power relations that exist between enterprise and user creators. However, if there is to be any chance of evening up the power relations, users must be understood as having agency, and the characteristics of that agency and the forms of power it generates must be articulated in order to be mobilized. These forms differ from those of traditional labour relations in industrial-mode economic production. Rather than understanding these relations always through the lens of commercial and monetized property markets, we also want to engage with the legitimacy of social economies.

User co-production relations do not only statically reallocate resources across markets and non-markets, firms and social networks. The cultural economics at work concern dynamic, open, self-organizing networks that generate opportunities for growth, change and innovation. This is not just about user generated content as an outsourcing of labour costs and an associated displacement of paid labour; it is not simply about optimizing allocative efficiencies within the labour relations and productivity frameworks of industrial economies. More provocatively it focuses our attention on how hybrid co-creation relations introduce organizational change and market growth. The value flows here then are not just about cheap labour and content but about the integration of innovations that upset and disrupt established industrial economy business models (Cunningham, 2006: 33–8). It is the liminal, hybrid zone between social networks and established

markets that defines the space through which the relations of labour and work play out. The value of these activities remains uncertain and will be shaped and defined through these market-like processes on social networks. This approach to emergent socio-markets focuses on the dynamics of open systems as new ways of being (including labour) are created and refined rather than on static models that rely on analytic distinctions between markets and non-markets (Potts et al., forthcoming).

User-led labour, in all its uncertainty, is an agent of change that unsettles existent industrial knowledge regimes. The changes wrought by shifting the contributions of users toward the core of commercial business models may well result in open innovation structures and change our understanding of what markets are. It disrupts accepted understandings of the market by questioning what is being exchanged, and what mechanisms of coordination are being used. Who benefits and in what ways?

In terms of policy and regulation the challenge will be to identify where intervention is necessary, particularly to address matters of equity, but not to stifle the innovation processes in doing so. Understanding the changed form of the market requires that regulatory interventions change as well. In the future, we suggest that research could usefully focus on the role of non-professional creators as they navigate and shape the emerging markets. How do we describe and analyse these emerging agents and agencies? What sort of labour relations will these be and how will they articulate with or constitute the creative knowledge economy? What happens to our understanding of the labour theory of value in the context of emerging social network markets? What kinds of job, and social and cultural relations will emerge and how will the interface that creates value be managed? It may be a self-organizing emergent network, and if it is, who will it exclude and how will we balance the opportunities and social costs? In the current shake-up, the answers to these questions are not at all clear.

Notes

1 As John Hartley recently suggested (Hartley, 2008), applying the categories that are appropriate to the context of modern industrial economies with their divisions of labour and closed systems of applied expertise may well be a mistake. Trying to understand the emerging paradigm of knowledge production and circulation from a modern paradigm, including its categories of political economy, is a parallax error. These new emerging paradigms may be radically incompatible both analytically and practically with former models and frameworks.
2 Activism here refers to the lobbying and efforts of users to influence the practices of the commercial media industries.
3 These previous publications by Banks (2002, 2007) do not engage in any significant detail with debates concerning consumer co-creation relations as a form of labour. They do not draw on the Auran ethnographic material to develop the argument about social network markets. They focus more generally on the relationship between Auran's development team and the *Trainz* fans as a case study of consumer co-creation relations.

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