7.3. Digital Utopias and Capitalist Ideology

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Abstract

Capitalism and utopia are often understood as directly opposed. Where one denotes the existing social order, the other represents visions for a radical alternative. This paper takes a different approach, exploring the role of utopian thought in contemporary capitalist ideology. Tracing the rise of "cyberlibertarianism" and its continuing growth within networks of entrepreneurs and professionals in the digital economy, as well as cultures that have emerged around the use of these new technologies, this essay examines how certain visions for "digital utopia" are increasingly functioning as capitalist ideology.

Key words: digital utopia, cyberlibertarianism, bitcoin, blockchain, ideology

In his plenary lecture at the Utopian Studies Society conference in 2019, Darko Suvin asserted "there is no capitalist utopia". If capitalism has a "collective horizon that pretends to utopia, that is fascism" (Suvin, 2019: 1:04:00). Suvin's point was twofold. Firstly, capitalism is the present against which utopias must define themselves. To imagine an alternative society, our imagination must stretch beyond capitalism. Secondly, any vision of a harmonious capitalist system serves primarily to justify the existing social order. This is ideology, not utopia. And in moments of crisis, efforts to protect this social order will in practice lead to authoritarian suppression, not social transformation. However, there is undoubtedly a peculiar strain of what would be commonly recognized as utopianism permeating the ideology of today's capitalist class. From Jeff Bezos and Elon Musk's projects for space colonization, to Mark Zuckerberg's plans for a global virtual reality (the "metaverse"), it is indeed difficult to find a billionaire that does not peddle a vision for the future that would feel more appropriate in a science fiction novel. Among broader publics too, we have witnessed waves of "techno-optimism" over the past few decades, with each new stage of development in digital technology proclaimed as revolutionizing

social relations, from peer-to-peer networks providing the infrastructure for a new global commons, to Twitter playing an apparently vital role in revolutions across North Africa and the Middle East. Few of these visions are avowedly socialist or communist. Some hint at a transition to "post-capitalism", but many are stridently free market, seeing a combination of technology and free-market forces as the route to what is explicitly termed a digital or cyber utopia. What I want to explore in this paper is the role this conception of utopia plays in contemporary capitalist ideology, with a particular focus on the culture that has emerged online around the use of cryptocurrencies.

Scholars such as Richard Barbrook, Andy Cameron, Langdon Winner, and Fred Turner have long argued that the world we inhabit today has been largely shaped by a "cyberlibertarian" ideology, which they explicitly label as utopianism, at the heart of which lies a vision for a future society in which all forms of governance are replaced by computer networks and individuals are "free" to interact in open markets. Barbrook and Cameron first outlined the contours of this "new faith" in their 1996 essay, "The Californian Ideology". A network of writers, artists, hackers and capitalists were identified as the prophets of this movement, a new social class of "digital artisans" who proclaimed the internet to be a new "space" with new social relations, where the old rules do not and cannot apply, a "digital utopia" of freedom and equality. In the following year, Winner provided a new name for this ideology in his now famous essay "Cyberlibertarian Myths and the Prospects for Community", tracing its emergence via an increasing array of literature, including self-proclaimed manifestos calling on people to embrace this new world, lest they be left "languishing in the dust" of the old world:

> Democracy will flourish as people use computer communication to debate issues, publicise positions, organise movements, participate in elections and perhaps eventually vote online … in this new sociotechnical setting, the authority of centralised government and entrenched bureaucracy will simply melt away. (Winner, 1997: 15)

A combination of technological determinism, radical individualism, and free-market capitalism characterize this ideology, which Winner notes carries a very limited understanding of what democracy actually entails. Despite this and many other critiques, the influence of cyberlibertarianism continued to grow among the new "tech elite" of Silicon Valley. Turner's book *From Counterculture to Cyberculture* (2006) provided a more thorough history of the people involved in producing this "digital utopianism" (as Turner describes it) and outlined how this came to frame the way broader publics came to understand computers,

helping to usher in the age of personal computing and networked production we now live in. Turner's work makes clear the benefits of this ideology for the new class of Silicon Valley capitalists. On a personal level, it casts them as radical heroes taking on the old centralized systems of power. At the socioeconomic level, it served to propagate the necessity of the goods and services their firms were providing. However, as the digital economy grew and this new "tech elite" became more closely entwined with established structures of power and wealth, cyberlibertarian ideology began to splinter.

For many workers in the digital economy, the firms of Silicon Valley began to represent the old bureaucracies, particularly due to the increasing centrality of surveillance in their business models. Among these "digital artisans" — the creatives and engineers, the computer scientists and developers, the students and writers — an alternative expression of cyberlibertarianism had been forming, one centred on a vision for decentralized platforms where large firms, as well as nation states and bureaucracies, would be obsolete. In this agora, small traders and communities would control their own networks. The vision at the heart of this outgrowth of cyberlibertarianism, perhaps articulated best by the Cypherpunk movement, was decentralization and disintermediation. Techniques of encryption and peer-to-peer technologies in particular, such as file-sharing networks like Napster and later, cryptocurrencies like Bitcoin, were opening up new pathways for collaboration while also safeguarding groups of users from monopolization. On this basis, they were proclaimed to be ushering in a new society where there would be direct democracy, free sharing of knowledge, and, as Julian Assange asserted, "privacy for the weak, transparency for the powerful" (2012: 141).

The Pirate Party movement became the most prominent voice for this and attracted notable support in the wake of the 2013 Snowden revelations. Gavin Mueller provided a Marxist analysis of this ideology in his 2018 essay, "Digital Proudhonism", in which he identifies a range of representative literature, such as that published by the "left market anarchist thinktank and media center", the Center for a Stateless Society (C4SS), as well as the writing of prominent journalists such as Paul Mason. This ideology exists very much in antagonism with the capitalists of Silicon Valley and appeals to many working in the digital economy. Yet what it advocates, Mueller argues, is not a progression to post-capitalism, but a regression to networks of petty producers who continue to rely on the labour of proletarians working in large-scale factories to produce their devices and infrastructure. This punctures the "utopian fantasies" of the digital artisans, "who believe themselves reliant on nothing but a personal computer and their own creativity" (Mueller, 2018). In this, and their strident technological determinism, the digital Proudhonists maintain key elements of cyberlibertarian ideology despite their opposition to the tech elite of Silicon Valley. These overlaps

are nowhere more visible than in the history of Bitcoin, the first cryptocurrency. And it is here too, that I think we see the origins of another cyberlibertarian utopianism, one which is now reaching levels of global significance.

Some scholars such as David Golumbia (2016) have traced the genealogy of ideas that inspired Bitcoin's development, and drawn a straight line from the Austrian School of Economics via cyberlibertarianism through to the contemporary popular subculture of cryptocurrency traders. While I agree with this general trajectory, I think it overlooks important tensions that occurred along the way, and some of the consequences this has had for the culture that has grown around cryptocurrency. Bitcoin emerged in 2008 and bears the hallmarks of both cyberlibertarianism and its "digital Proudhonist" offshoot. This can be seen in the histories of Bitcoin written by Lana Swartz (2018) and Finn Brunton (2019). In the former, Swartz details tensions between groups of early Bitcoin users and developers that were expressed via two "techno-economic imaginaries". On the one hand, there were "digital metallists", driven by a classic economic libertarian understanding of money as a free-floating commodity. Just as precious metals once were, Bitcoin was to be a new form of money not minted by a nation state but "mined" and traded in a free market. These ideas do indeed emanate directly from the work of "Austrian economists", the most hard-line faction of neoliberal thought. On the other hand, however, there were "infrastructural mutualists", more closely aligned with the Cypherpunk movement. "From this perspective," Swartz writes, "Bitcoin is not primarily an alternative to state-backed money but an alternative to private payment intermediaries that seek to control and survey its passage. It affords a cooperativist vision of a money technology and therefore society" (2018: 632).

The vision for society that underpinned this understanding of Bitcoin was a "mutualist" one where everyone participates in maintaining shared infrastructure.[1] Swartz argues that ultimately those attempting to guide Bitcoin's development in this direction were pushed into the margins by the digital metallists, particularly as Bitcoin trading became professionalized. This has since been borne out by evidence of centralization within the Bitcoin network, where large "mining" firms now run the hardware, and large exchange platforms administer users' transactions (Parkin, 2020: 220; Fridmanski, 2021: 173). Nevertheless, much of the "Proudhonist" rhetoric of infrastructural mutualism continues to find expression in projects such as Ethereum, where blockchain technology is the basis for a "community run" infrastructure that provides "bold new ways for creators to earn online" (Ethereum, 2022). In the most thorough sociological investigation of Bitcoin and blockchain technologies to date, Jack Parkin concludes that, while there is a "core strand of right-wing extremism in these cultures", there are multiple cultural, political, ideological and economic

imperatives guiding development in different trajectories. He states that "there is no singular blockchain worldview *yet (the quest for) some level of decentralisation unites them all*" (Parkin, 2020: 225, emphasis added).

Decentralization remains a key signifier throughout crypto cultures because it encapsulates the metallist desire for free markets *and* the more radical rhetoric of infrastructural mutualism that carries broader appeal. In this way, alongside far-right conspiracies about central banks, the legacy of the Cypherpunks also continues, speaking to valid concerns about growing levels of surveillance, corruption, and corporate monopolies. However, as it does this, it also helps obscure some of the material reality of blockchain technologies. Not only are there concentrations of power in cryptocurrency networks, the majority of blockchain projects extend processes of financialization, creating artificially scarce digital assets that represent all kinds of things from land registries to art ownership that can be traded in unregulated markets at a global scale. Moreover, the energy required to power the Bitcoin network alone is more than entire countries use in a year. Indeed, some recent estimates indicate that Bitcoin now requires more energy input than the rest of the internet combined (de Vries, 2021: 513).

When these realities are addressed by proponents of Bitcoin, they are often countered by a utopian conviction that over the long term, blockchain will deliver revolutionary changes that justify these current problems. To take one recent example from *Bitcoin Magazine*:

> The emergence of bitcoin mining will galvanize the greatest revolution in energy production since fossil fuels and the Industrial Revolution...[it] will enrich lives and relieve suffering at an immeasurable scale. (Armstrong, 2021)

This typifies much of the writing produced across a global network of specialized news sites, blogs and forums. And it brings us back to the original question regarding the role of utopianism in contemporary capitalist ideology. One interpretation may be that such visions evidence what Mark Fisher famously described as "capitalist realism": "the widespread sense that not only is capitalism the only viable political and economic system, but also that it is now impossible to even *imagine* a coherent alternative to it" (Fisher, 2009: 2).

That there are now popular social imaginaries that do not stretch beyond capitalism but instead envisage its acceleration or reconfiguration as a path to utopia appears to attest to this. Another interpretation may be to return to the class analysis of Barbrook, Cameron, and Mueller to follow the emergence of new social classes that have emerged around the digital economy, namely

the tech elite and the digital artisans, both of whom share material interests in its expansion and are therefore more predisposed to entertaining such ideas. However it is interpreted, the political consequences of libertarian utopianism in digital culture appear to be growing. This year saw the right-wing populist president of El Salvador, Nayib Bukele, make the country the first in the world to accept Bitcoin as legal tender. Bitcoin does not function as a stable currency, its price fluctuates wildly in response to events as trivial as a tweet by Elon Musk. As a publicity stunt, however, Bukele has been able to successfully energize his strategy for establishing right-wing hegemony by attracting the interest of a global and growing subculture with its own rich elite. Moreover, the utopianism permeating this subculture has provided Bukele with a means to rearticulate neoliberal politics in a newly invigorating way that resonates in an era defined by seemingly unaccountable financial institutions, mass surveillance, and political inertia. As Jorge Cuéllar (2021) summarized it, "for El Salvador, this is pure capitalism delivered through cryptography, where the daydream of laissez-faire decentralization masks an unsettling authoritarian creep". Digital utopia functioning as capitalist ideology.

Note

1. It should be noted that for this reason Bitcoin and blockchain technology have occasionally attracted the interest of socialist and anarchist groups, although these experimentations remain marginal.

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