

Philanthropy on the commons

By Mark Surman,
Created 2008-04-18 11:57

Michael Edwards' **openDemocracy** essay, "[Philanthrocapitalism: after the goldrush \[0\]](#)" (19 March 2008) is serious and thought-provoking. The basic argument is this: there is a movement afoot to harness the power of business for social change. This includes newly-minted foundations like the [Bill & Melinda Gates Foundation \[1\]](#), corporate-social-responsibility (CSR) programmes and social entrepreneurs. These philanthrocapitalists are undermining the independence and social mission of civil society. As a result, we are missing out on real social transformation, and maybe even risking our democracy.

From where I sit, much of what Edwards says seems wrong or misdirected, mixing apples with oranges with assumptions. Which is why I was so surprised to see him briefly trumpeting one of my favourite ideas: "... new business models built around 'the commons' such as open source software and other forms of 'non-proprietary production'". Edwards suggests that these new models have the potential to deliver deep changes to both our society and our economy. I agree. In fact, I would argue that they already have.

The power of peers

Just think about Wikipedia for a second. In less than ten years, Wikipedia has completely overturned the intellectual and economic power structure of the publishing industry (or, at least, the parts dealing with reference materials). What's more, it has dramatically increased the number of languages that have their own encyclopedias (over 250), the number of topics covered (2.3 million in English alone) and the speed with which new topics get covered (there is even a little [article on philanthrocapitalism \[4\]](#)). Like it or not, Wikipedia is unquestionably an incredible achievement.

Many would also argue that Wikipedia is a major public good, on the order of an education or library system. That's certainly what Jimmy Wales and others had in mind when they coined the [Wikimedia Foundation \[5\]](#)'s vision statement: "Imagine a world in which every single human being can freely share in the sum of all knowledge. That's our commitment." The people behind Wikipedia were definitely thinking about what Edwards calls "real social transformation" right from day one.

Of course, the most interesting thing about Wikipedia is not Wikipedia itself, but the method used to create and maintain it. Tens of thousands of volunteers around the world contribute and edit content on topics they are passionate about. When you add up all of these small bits of labour, you have what it takes to create the world's most comprehensive encyclopedia.

Mark Surman [2] is an open philanthropy fellow at the Shuttleworth Foundation in South Africa, where he is inventing new ways to apply open-source thinking to social innovation. He is also the partnership advisor and former managing director at telecentre.org, a project that networks community-technology activists around the world. His blog is [here \[3\]](#)

It's this kind of peer-production that Edwards is talking about when he speaks of "the commons". And, as Yochai Benkler eloquently argues in *The Wealth of Networks* [7], this model is not limited to Wikipedia: it is a part of a new and growing wave of non-market peer-production that is creating tremendous public assets: Linux, Mozilla Firefox, the Public Library of Science [8], MIT's OpenCourseWare [9], the 60 million creative-commons-licensed photos on Flickr, among others. We create and hold these things in common. And, as we hold them, our economies, our societies and our democracies are transforming.

The yin-yang dance

The funny thing is, Michael Edwards seems to think that the commons and business are at odds. "The problem is that these approaches are absent from the philanthrocapitalist menu", he says. The facts say otherwise. Who are the top funders of Wikipedia? Sun Microsystems [10] co-founder Vinod Khosla [11] and Richard Branson's Virgin Unite. Who funds the creative commons [12]? Sun, Microsoft, Cisco, IBM, Yahoo, Facebook as well as a number of foundations created with newly minted high-tech wealth. The commons is clearly on the philanthrocapitalist menu.

More importantly: collaborative, non-market peer-production was born from a world that lives on the fuzzy edge between public and private benefit. In his 1999 essay "The Magic Cauldron", Eric S Raymond [13] offered a taxonomy of open-source business models that still left the code in the commons: cost-sharing; giving away things that have use value but no sale value; selling technical support or services. His point was this: business and the commons are not only compatible but, in many cases, actually interdependent.

In the nine years since "The Magic Cauldron [14]", we've seen real-world success by open-source projects mixing public and private benefit. The entrepreneur Jim Fruchterman, committed to bringing books to the blind, generates revenue from online services while staying staunchly not-for-profit. Once a single foundation, Mozilla is now a foundation and two companies as a way to consciously play across the private- / public-benefit divide. And, intent on transforming the economics of software with an always-free, easy-to-use version of Linux, Mark Shuttleworth [15] set up not a charity but a business. In stark contrast to Edwards, these folks do not see public and private benefit in a zero-sum pitched battle: they see a yin-yang dance. There may be times of conflict, but it is a conflict of interdependence and, ultimately, mutual benefit.

Open-sourcing philanthropy

At the end of his essay - and in his accompanying book, *Just Another Emperor: the Myths and Realities of Philanthrocapitalism* [16] (Demos/Young Foundation, 2008) - Michael Edwards asks what he calls the \$55 trillion question: how will we use the vast amount of new philanthropic resources that will be created in the next fifty years? My instincts tell me that Wikipedia, open source and peer-production may hold part of the answer. The world of the commons has used

Also in **openDemocracy's** debate on philanthrocapitalism:

Michael Edwards, "Philanthrocapitalism: after the goldrush [5]" (19 March 2008)

Gara LaMarche, "Philanthropy for social change [5]" (9 April 2008)

Geoff Mulgan, "The new philanthropy: power, inequality, democracy [5]" (10 April 2008)

Simon Zadek, "Civil society and capitalism: a new landscape [5]" (14 April 2008)

Stewart J Paperin, "Philanthropy's business benefit [5]" (16 April 2008)

Michael Edwards's opening essay draws on his book - *Just Another Emperor: the Myths and Realities of Philanthrocapitalism* [6] (Demos/Young Foundation, March 2008)

openness, participation and community to create real and (hopefully) lasting public goods. Why not apply these same principles [16] to improving education, creating low-cost housing or evolving our democracy?

True, using open-source principles to address a wide variety of social needs would require a new kind of foundation. In fact, it would require a whole wave of foundations built from the ground up around the values of openness and participation, and sitting happily on the fuzzy edges between public and private benefit. It would require us to open-source philanthropy [17]. Possible? I think so. And, who knows, maybe some of the so-called philanthrocapitalists might even be willing to help.

Source URL:

http://www.opendemocracy.net/article/globalisation/philanthropy_on_the_commons

Links:

- [1] <http://www.gatesfoundation.org/default.htm>
- [2] <http://commons.ca/people/mark/>
- [3] <http://commonspace.typepad.com/>
- [4] <http://en.wikipedia.org/wiki/Philanthrocapitalism>
- [5] <http://wikimediafoundation.org/wiki/Home>
- [6] <http://www.justanotheremperor.org/>
- [7] <http://yalepress.yale.edu/yupbooks/book.asp?isbn=0300110561>
- [8] <http://www.plos.org/>
- [9] <http://ocw.mit.edu/OcwWeb/web/home/home/index.htm>
- [10] <http://www.sun.com/>
- [11] <http://www.khoslaventures.com/people.html>
- [12] <http://support.creativecommons.org/supporters>
- [13] <http://catb.org/%7Eesr/>
- [14] <http://www.oreilly.com/catalog/cathbazpaper/chapter/ch05.html>
- [15] <http://www.markshuttleworth.com/biography>
- [16] <http://www.justanotheremperor.org/>
- [17] <http://commonspace.typepad.com/commonspace/2008/02/open-philanthro.html>
- [18] <http://commonspace.typepad.com/commonspace/2008/04/philanthropy-on.html>



This article is published by Mark Surman, , and openDemocracy.net under a Creative Commons licence. You may republish it free of charge with attribution for non-commercial purposes following these guidelines. If you teach at a university we ask that your department make a donation. Commercial media must contact us for permission and fees. Some articles on this site are published under different terms.