

'Keen has written a very powerful and daring manifesto questioning whether the Internet lives up to its own espoused values. He is not an opponent of Internet culture, he is its conscience, and must be heard.'

Po Bronson

The Internet Is Not The Answer

Andrew Keen

'Andrew Keen has again shown himself to be one of the sharpest critics of Silicon Valley hype, greed, egotism, and inequity. His tales are revealing, his analyses biting.'

Mark Bauerlein, author of *The Dumbest Generation*

In this sharp and witty book, long-time Silicon Valley observer and author Andrew Keen argues that, on balance, the Internet has had a disastrous impact on all our lives.

By tracing the history of the Internet, from its founding in the 1960s to the creation of the World Wide Web in 1989, through the waves of start-ups and the rise of the big data companies to the increasing attempts to monetize almost every human activity, Keen shows how the web has had a deeply negative effect on our culture, economy and society.

Informed by Keen's own research and interviews, as well as the work of other writers, reporters and academics, *The Internet Is Not The Answer* is an urgent investigation into the tech world – from the threat to privacy posed by social media and online surveillance by government agencies, to the impact of the Internet on unemployment and economic inequality.

Keen concludes by outlining the changes that he believes must be made, before it's too late. If we do nothing, he warns, this new technology and the companies that control it will continue to impoverish us all.

'Keen provokes us in every sense of the word – at times maddening, more often thought-provoking, he lets just enough out of the Silicon Valley hot air balloon to start a real conversation about the full impact of digital technology.'

Larry Downes, author of *Unleashing the Killer App*

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PREFACE

THE QUESTION

The Internet, we've been promised by its many evangelists, is the answer. It democratizes the good and disrupts the bad, they say, thereby creating a more open and egalitarian world. The more people who join the Internet, or so these evangelists, including Silicon Valley billionaires, social media marketers, and network idealists, tell us, the more value it brings to both society and its users. They thus present the Internet as a magically virtuous circle, an infinitely positive loop, an economic and cultural win-win for its billions of users.

But today, as the Internet expands to connect almost everyone and everything on the planet, it's becoming self-evident that this is a false promise. The evangelists are presenting us with what in Silicon Valley is called a "reality distortion field"—a vision that is anything but truthful. Instead of a win-win, the Internet is, in fact, more akin to a negative feedback loop in which we network users are its victims rather than beneficiaries. Rather than the answer, the Internet is actually the central question about our connected twenty-first-century world.

The more we use the contemporary digital network, the less economic value it is bringing to us. Rather than promoting economic fairness, it is a central reason for the growing gulf between

rich and poor and the hollowing out of the middle class. Rather than making us wealthier, the distributed capitalism of the new networked economy is making most of us poorer. Rather than generating more jobs, this digital disruption is a principal cause of our structural unemployment crisis. Rather than creating more competition, it has created immensely powerful new monopolists like Google and Amazon.

Its cultural ramifications are equally chilling. Rather than creating transparency and openness, the Internet is creating a panopticon of information-gathering and surveillance services in which we, the users of big data networks like Facebook, have been packaged as their all-too-transparent product. Rather than creating more democracy, it is empowering the rule of the mob. Rather than encouraging tolerance, it has unleashed such a distasteful war on women that many no longer feel welcome on the network. Rather than fostering a renaissance, it has created a selfie-centered culture of voyeurism and narcissism. Rather than establishing more diversity, it is massively enriching a tiny group of young white men in black limousines. Rather than making us happy, it's compounding our rage.

No, the Internet is *not* the answer. Not yet, anyway. This book, which synthesizes the research of many experts and builds upon the material from my two previous books about the Internet,¹ explains why.

INTRODUCTION

THE BUILDING IS THE MESSAGE

The writing is on the San Francisco wall. The words WE SHAPE OUR BUILDINGS; THEREAFTER THEY SHAPE US have been engraved onto a black slab of marble beside the front door of a social club called the Battery in downtown San Francisco. These words read like an epigram to the club. They are a reminder, perhaps even a warning to visitors that they will be shaped by the memorable building that they are about to enter.

Lauded by the *San Francisco Chronicle* as the city's "newest and biggest social experiment,"¹ the Battery certainly is an ambitious project. Formerly the site of an industrial manufacturer of marble-cutting tools called the Musto Steam Marble Mill, the building has been reinvented by its new owners, two successful Internet entrepreneurs named Michael and Xochi Birch. Having sold the popular social media network Bebo to AOL for \$850 million in 2008, the Birches acquired the Musto building on Battery Street for \$13.5 million a year later and invested "tens of millions of dollars"² to transform it into a social club. Their goal is to create a people's club—a twenty-first-century House of Commons that, they promise, "eschews status,"³ allowing its members to wear

CHAPTER ONE

THE NETWORK

Networked Society

The wall was dotted with a constellation of flashing lights linked together by a looping maze of blue, pink, and purple lines. The picture could have been a snapshot of the universe with its kaleidoscope of shining stars joined into a swirl of interlinking galaxies. It was, indeed, a kind of universe. But rather than the celestial firmament, it was a graphical image of our twenty-first-century networked world.

I was in Stockholm, at the global headquarters of Ericsson, the world's largest provider of mobile networks to Internet service providers (ISPs) and telecoms like AT&T, Deutsche Telekom, and Telefonica. Founded in 1876 when a Swedish engineer named Lars Magnus Ericsson opened a telegraph repair workshop in Stockholm, Ericsson had grown by the end of 2013 to employ 114,340 people, with global revenue of over \$35 billion from 180 countries. I'd come to meet with Patrik Cerwall, an Ericsson executive in charge of a research group within the company that analyzes trends of what it calls "networked society." A team of his researchers had just authored the company's annual Mobility Report, their overview of the state of the global mobile industry.

CHAPTER TWO

THE MONEY

The One Percent Economy

San Francisco's venerable Commonwealth Club, standing at the southern end of Battery Street, a few blocks from the Battery social club, rarely sells out of tickets for its speaking events. But in February 2014, the club hosted a controversial eighty-two-year-old multibillionaire speaker who gave a sold-out speech titled "The War on the One Percent," requiring the presence of three police officers to protect him from a bellicose, standing-room-only crowd.¹

A month earlier, Tom Perkins, the cofounder of the Kleiner Perkins Caufield & Byers (KPCB) venture capital firm and "the man most responsible for creating Silicon Valley," according to his biographer,² had written an angry letter of complaint to the *Wall Street Journal* about what he described as San Francisco's "Progressive Kristallnacht." The letter was a defense of Silicon Valley's technological elite—the venture capitalists, entrepreneurs, programmers, and Internet executives of KPCB-backed local Internet companies like Google, Twitter, and Facebook, identified by Perkins as "the successful one percent."³ It turned

CHAPTER THREE

THE BROKEN CENTER

The Future

"Everybody's private driver." Thus Uber boasts about its radically disruptive black limousine service. But there were no Uber cars at Greater Rochester International Airport in upstate New York when I arrived hungry and cold one gray afternoon in the winter of 2014 on a drafty United Airlines plane that had rattled all the way from Chicago. Nor were there any UberCHOPPERS available at the airport to twirl me on a three-thousand-dollar helicopter ride to downtown Rochester.

That was fortunate, really, because Rochester's downtown—a landscape of boarded-up stores and homeless people wheeling their earthly possessions in rusty shopping carts along empty streets—resembled a picture from the dystopian future. From *Blade Runner*, perhaps, Ridley Scott's 1982 movie about a twenty-first-century world in which human beings and robots have become indistinguishable. Or from *Neuromancer*, William Gibson's 1984 science fiction novel, the subversive classic about an electronically networked world that not only popularized the word *cyberspace* but also may have foreseen Tim Berners-Lee's invention of the World Wide Web five years later.¹

CHAPTER FOUR

THE PERSONAL REVOLUTION

The Instagram Moment

In the summer of 2010, Kevin Systrom, a six-foot-seven Silicon Valley entrepreneur, took a trip with his girlfriend, Nicole Schuetz, to a hippie colony on the Baja peninsula in Mexico. It was one of those retro artistic communities on the Pacific coast still bathed in the fuzzy glow of the sixties counterculture—an appropriately laid-back place to reinvent oneself. Despite graduating from Stanford University with an engineering degree and having worked at Google for three years, the twenty-seven-year-old Systrom considered himself a failure.

Systrom had come out west to Silicon Valley from New England to, as he delicately put it, “get rich really quickly.”¹ But he’d yet to make the kind of “fuck you” money that would have given him the ostentatious mansions, the Bombardier private jets, and the UberCHOPPER rides that some of his contemporaries, churned out of what *Forbes* magazine calls Stanford’s “billionaire machine,”² already took for granted. Worse still, he’d gotten agonizingly close to two epic deals: first turning down an invitation in 2005 by a Harvard dropout named Mark Zuckerberg to develop a photo-sharing service for a social media startup

CHAPTER FIVE

THE CATASTROPHE OF ABUNDANCE

The Narrow Stump

I grew up in England. No, not the England of Winston Churchill's exclusive gentleman's clubs or *Downton Abbey's* bucolic aristocracy and their unnaturally cheerful servants. Rather than a nostalgic costume drama, my England was London. And my London was Soho—the square-mile district in London's West End that is not only the historic center of the city's fashion business, but also the heart of its independent movie and music industries.

As a kid growing up in the swinging London of the late sixties and seventies, I got to see a much more entertaining show in Soho than anything a *Downton Abbey*-style TV drama could muster. My family was in the rag trade and owned a store on the edge of Soho, so I had the good fortune to spend much of my adolescence wandering around its abundant clubs, cafés, and records stores, and its other, more adult attractions. They were the glory years of the English recorded music industry—a period of remarkable creative fecundity in which London in general and Soho in particular appeared, to me at least, to be the center

CHAPTER SIX

THE ONE PERCENT ECONOMY

An Abundance of Stupidity

My own epiphany about the Internet's disastrous impact on culture is well documented. In the fall of 2005, I was invited to a weekend event called FOO Camp. FOO, as I mentioned earlier, is an acronym for "Friends of O'Reilly" and it refers to that same Tim "How I Failed" O'Reilly who owned and operated the profitable Web 2.0 meme and is now, according to his modest Twitter profile, "helping the future unfold." FOO Camp is O'Reilly Media's annual slumber party in which the media mogul invites a couple of hundred illustrious geeks—Silicon Valley's antiestablishment establishment—to spend a weekend on the idyllic grounds of his Sonoma, California, wine country headquarters to celebrate how the Internet is radically disrupting the world.

Just as Michael Birch presented the Battery as an unclub, FOO Camp described itself as an "unconference conference"—the ideal event, of course, for the Web's unestablishment. In practice, this meant that the camp was an entirely unstructured event whose monotonously repetitive agenda was set by its self-aggrandizing

CHAPTER SEVEN

CRYSTAL MAN

The Ministry of Surveillance

If we really do make our own histories, then who exactly *made* the Internet? Technology historian John Naughton claims it was the RAND telecom engineer Paul Baran. TCP/IP inventors Bob Kahn and Vint Cerf say they created it. Others award the honor to "As We May Think" author Vannevar Bush or to J. C. R. Licklider, the "Man-Computer Symbiosis" visionary who dreamed up the Intergalactic Computer Network. More literary types even suggest that the Argentine writer Jorge Luis Borges, the author of stories like "The Library of Babel" and "Funes the Memorious," about "infinite libraries and unforgetting men,"¹ imagined the Internet before anyone else.

Then, of course, there is Albert Arnold "Al" Gore Jr. "During my service in the United States Congress, I took the initiative in creating the Internet," Gore told CNN's Wolf Blitzer in March 1999. And if I had a dollar for every bad Al-Gore-invented-the-Internet joke, I could probably afford to be Trevor Traina's neighbor up on Billionaire Row. But, of course, Gore didn't invent the Internet, consciously or otherwise, even though the former American vice president has personally profited so massively from

CHAPTER EIGHT

EPIC FAIL

FailCon

Big Brother might be dead, but one department of the old totalitarian state remains in robust health. Orwell's Ministry of Truth—in fact, of course, the Ministry of Propaganda—was supposed to have gone out of business in 1989 with the fall of the Berlin Wall. But, like other failed twentieth-century institutions, the ministry has relocated its operations to the west coast of America. It has moved to the epicenter of twenty-first-century innovation—to Silicon Valley, a place so radically disruptive that it is even reinventing failure as the new model of success.

On the list of all-time greatest lies, the idea that FAILURE IS SUCCESS doesn't quite match the Orwellian trinity of WAR IS PEACE, FREEDOM IS SLAVERY, or IGNORANCE IS STRENGTH, but it's still an astonishing perfidy, worthy of the best Ministry of Truth propagandist. And yet, in Silicon Valley the "failure is success" lie has become such an accepted truth that there is now even a San Francisco event called FailCon, dedicated to its dissemination.

Along with several hundred other aspiring disruptors, I'd gone to FailCon to learn why, in the Valley at least, failure is

CONCLUSION

THE ANSWER

The Fancy-Dress Affair

I first met Michael Birch, the owner of the Battery social club, at a party in Marin County, the exclusive suburb over San Francisco's Golden Gate Bridge where Tom Perkins has one of his trophy mansions. It was one of those rather tiresome sixties nostalgia affairs at which everyone squeezes into the bell-bottomed trousers, Mary Quant miniskirts, and psychedelic shirts of the fifty-year-old counterculture. As a cultural event, it was about as historically authentic as the Venetian Resort Hotel Casino in Las Vegas. But the slightly built, bespectacled Birch, with his long blond flowing hair, already resembled a hippie, with or without the tight purple shirt and matching headband he was wearing for the party. There was a strangely ethereal quality to the Anglo-American entrepreneur. As if he'd just stepped out of an alien spaceship.

We talked beside the hot tub, which, in good Marin County tradition, was already full of revelers. "Hey brother," I asked, trying, without much success, to capture the party's vibe. "What's goin' on?"