

# *Of Ducks and Downloads: The Moral Economy of File Sharing in Post Soviet World*



ВИСКОШВИДКІСНИЙ ІНТЕРНЕТ

## Безпроблемна Качка

розслабся і скачуй

10 Гб змішаного трафіку  
за 100 грн/міс

30 Гб змішаного трафіку  
за 150 грн/міс

на швидкості до 38 Мбіт/сек

доставка, підключення,  
налаштування **всього за 1 грн\***

**бонус – соціальний пакет кабельного ТВ! \*\***

\*Акція "Підключись взимку за 1 гривню!" діє з 1.02.2007 по 31.03.2007. Стандартна (не акційна) ціна за підключення становить 49 грн. Послуга штатного підключення включає доставку, підключення та налаштування кабельного модулю.  
\*\*Абонплата за доступ до програм аналогового соціального пакету "Україна" (32 телеканали, стандартна ціна 22 грн.) включено до вартості тарифних планів високошвидкісного Інтернету Воля Бродбенд.

Повну інформацію про акцію та інші послуги шукай на  
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# Internet and Globalization

- Internet
  - Single global network, force for erosion of national boundaries, mingling of cultures
  - Popular belief
    - Spreads democracy, capitalism, or libertarianism
- Yet... most of the research on Internet file sharing
  - Sharing of copyrighted material
  - North America , Western Europe



# Objectives for Paper

- Explain distinctive Ukrainian technological path in use of Internet file sharing
  - deconstructing the interaction of technologies, users, and regulatory regimes.
  - apply E.P. Thompson's concept of "moral economy" to copyright and file sharing
  - analysis of comments on file sharing behavior of Ukrainian internet users.

# Ukraine

The second most populous  
of the former Soviet  
republics,

– had been named as one of  
the ten “priority countries”  
with “unacceptable piracy  
rates.”

- Independent since 1991
- Orange revolution of 2004
  - turning point in the  
relationship with West



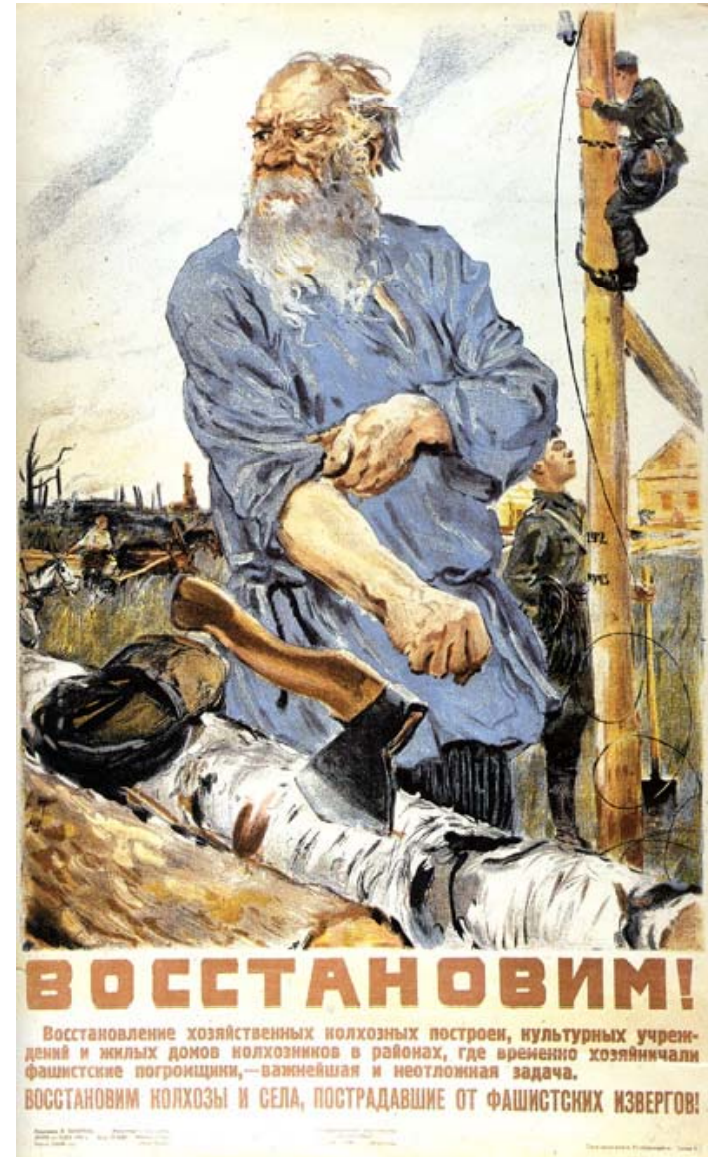
# E.P. Thompson's Moral Economy

- The concept of “moral economy”
  - introduced by social historian E.P. Thompson in his hugely influential 1971 paper
  - “The Moral Economy of the English Crowd in the 18th Century.”
    - phenomenon of bread riots
    - Rioters defended the earlier social order of regulated economy
    - Via nuanced steps, eg
      - Targeting businesses believe to engage in unfair practices
      - Taking grain but leaving payment at traditional rates



# Moral Economy and Intellectual Property

- Novel approach to the intellectual property
- The case of file sharing in Ukraine is a particularly appropriate
  - Transition from regulated paternalistic society to market economy
  - Consumer action based on assertion of traditional culture
  - Assertion of moral right to “necessities”
    - Loaves of bread vs computer files



# Moral Economy Idea Useful Globally

- Gap between feelings of ordinary people and global IP regime
- Technical/ legal changes undermine traditional rights
  - Purchased books could be borrowed or resold
    - Not with digital media
  - Fair use provision to reproduce copyrighted materials
    - Not with DRM

# Attempts to Reshape Moral Economy

- Music and film industries campaigns:
  - Attempts to change social attitudes toward file sharing

**HOME TAPING IS  
KILLING MUSIC**



- Users are represented as criminal nihilistic mob (much like Thompson's bread rioters)
  - transition from a moral economy in which non-commercial sharing of music is socially acceptable
  - piracy represents unambiguous theft
- Disproportionate lawsuit penalties of individuals for sharing songs



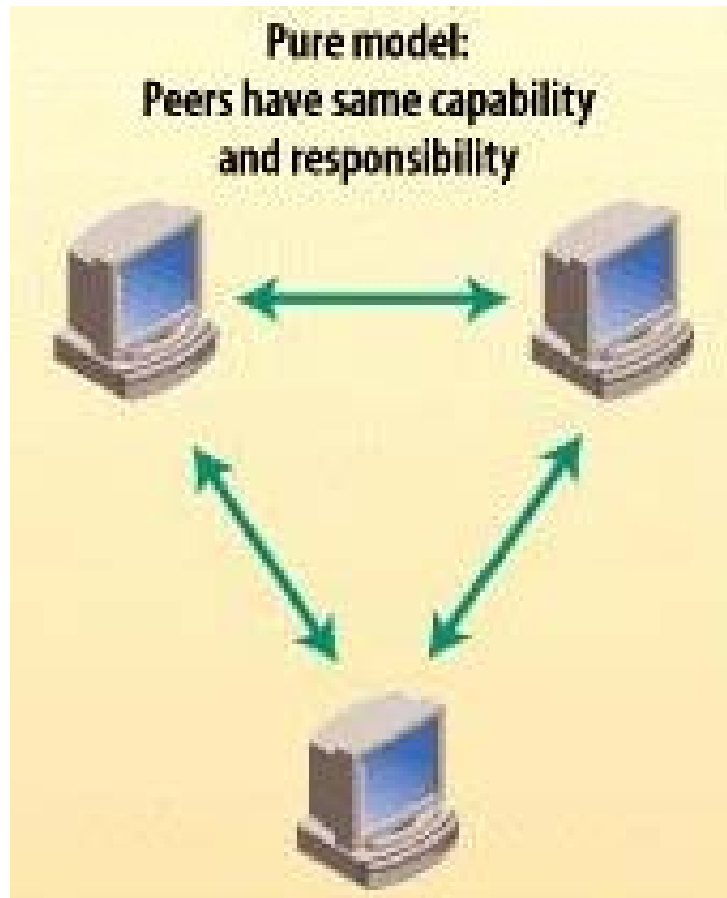


# Ukraine's Copyright Situation

- Distinct Soviet legacies
  - Hostility to private property and rights of author
    - Soviet authorities maintained a monopoly on the means of mechanical reproduction of printed and recorded works.
  - Samizdat
    - The illicit reproduction of unsanctioned material was seen as an heroic act of resistance
- Neither compatible with current global IP regime



# Internet in Ukraine



- Fast growing economy
- 270 Internet providers, broadband packages \$20 a month;
- 12.1% internet user penetration
  - Vs. 51% in the EU

# Special kind of Peer to Peer File sharing

- Ukrainian Internet users prefer downloading from a central high-speed reliable server
- File sharing with a central server
  - Centralized advertisement supported
  - Vs. the peer-to-peer approach to unlicensed file sharing more widely used in the West
- Even commercial ISP accept a moral economy where
  - File exchange is free
  - The law has not been enforced

# Metered Internet and no problem kachka



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# NaUKMA

- Study of 45 graduate and undergraduate Computer Science students
  - During Fulbright fellowship in 2007
- National University of Kyiv Mohyla Academy (NaUKMA)
  - Top university
  - Bilingual (English and Ukrainian) education
- Students were given an opportunity to share their written responses

# Moral Economy: scarce resources in the time of hardship

- Like Thompson's bread rioters, Ukrainian Internet users justified their actions by a moral imperative of access to scarce resources in times of hardship:
  - *“sometimes Ukrainians take the copyright measures on their territory as attempts to restrict our personally freedom, and **we could even recognize pirates as so-called “Robin Hoods” who provide Ukrainians with desired** informational production almost for free, comparing with “unreasonable” high prices for the same production from the original distributor.”*

# Moral Economy: access to necessities

- *[P]eople should treat differently copyright for entertaining materials (such as movies, music and games), software and printed materials that to be used for profit and non profit reasons. **Entertainment is definitely something we should pay for.** And I think people who object that usually show lack of knowledge and ignorance....*
- ***If you use something for profit, you should pay for it.** But if something is to be **used for educational reason or acknowledgment it should be free** or almost free. Information has never been as commercial as it is now. **I don't think I should feel myself a criminal** just because I want to access information that I can't buy either because it is impossible from Ukraine or because I can not afford it.*

# Moral Economy: cultural differences

- Even when students were prepared to acknowledge the desirability of intellectual property protection they challenged its application to Ukraine
  - *Piracy and copying discs can really be a crime but in Ukraine we should take into account its background and economical and social situation in the country, for it really differs from USA. I think, **certain kinds of file sharing should not be restricted** unless our people become wealthy enough. But I suppose that **books** (esp. not translated in Russian or Ukrainian) should be open for free downloading. **For now hiding information should be a greater crime, than copying it.***



# Moral Economy: cultural differences

- *Western societies understand and accept the principle “one has to pay for information”, but **for us Ukrainians this principle is very limiting.** In the West everything could be translated into money. In our society this principle has developed much less.... But cultural differences could not be expressed in terms of better or worse. **In Ukraine, it is impossible to enforce cultural values of different societies.***

# Moral economy: religious justification

- *“Maybe some of my thoughts are not the result of the communist past of my country but the influence of **Christian upbringing**. From the early childhood I was taught to be a good girl and share everything I have with other children... I personally consider that **intellectual property should belong to humanity** but I don't know how to realize this in practice.”*

# Moral Economy: unfair exploitation of cheap labor

- *“I participated in student’s project where we needed to use Macromedia Flash. How could we pay \$700 for the software? Should I feel myself in debt to Macromedia Inc just for the desire to participate in [an] international contest? Especially taking into consideration the fact that **most of software companies use offshore development and a lot of software is being developed here in Ukraine.** Is it fair when developer who earns about 6 000-7 000\$ per year is prompted to buy software he/she developed for regular price when **company underpaid the developer by about 15 times? Who is the criminal in that case?”***

# Conclusion

- Paradoxical developments in Ukraine
  - Transition from soviet serfdom to capitalist freedom means giving up other freedoms
  - Ukraine joined WTO this year
  - Deeply rooted practices of intellectual property are threatened
- Transition from moral economy of intellectual property has occurred in law, but not in practice
  - Justification on various moral grounds



# Conclusion II

- Thompson's concept of moral economy
  - Very relevant for today's shift to electronic media and a globalized intellectual property regime
  - Need to look closer to examine internal moral models
  - Like the bread rioters, we see
    - Nuances of behavior
    - users of computer networks struggle to assert traditional rights in a new world technological and economic systems
    - Under closer examination a "lawless nihilistic mob" turns out to be making nuanced decisions based on internal moral models

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