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open source communities
and the economic world**

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Identity Work in the fractures between open source communities and the economic world¹

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Empirisk og teoretisk fokus

In *The Ha@ker Ethic*, Himanen (2001) tells how the Internet, World Wide Web (www), desktop computers, and important software systems (e.g. Linux operating system) were created by and created 'hackers'² – and their way of organising (see also Berners-Lee, 2000; Levy, 2001; Torvalds & Diamond, 2001; <http://mirror.opensource.dk> <http://www.nessus.org> and <http://www.tuxedo.org/~esr/writings/cathedral-bazar/>). Himanen (2001) describes how the hacker ethics challenges society and the lives we live. Not all hackers comply with the ethical rules, but Himanen argues that the hackers must be seen as a whole. For a hacker, passion and hard work are two sides of the same coin, and Himanen quotes one as saying 'Being a hacker is lots of fun, but it's a kind of fun that takes a lot of effort.' A hacker is subscribing neither to a pre-Protestant ethic, in which Paradise was equivalent to life without work, or to Max Weber's Protestant Ethic, in which work is a duty. The new technology makes it easy to demolish the border between work and leisure time. But the implication in a hacker's version of time optimisation is not that work absorbs all the available time. The hacker is not at the disposal of work twenty-four hours a day, but optimises time in order to make room for play and other activities with no immediate direction.

In the new economy, the stress is not only on private ownership of capital, but also on information gathered via patents, copyrights, and trade marks. In contrast, the hacker emphasises openness and public ownership of information. Most important to the hacker is not money, but peer recognition of a good piece of code work. Not

¹ This paper is based on part of my chapter in the book *IDENTITY IN THE AGE OF THE NEW ECONOMY*, edited by Torben Elgaard Jensen and Ann Westenholz, Edward Elgard Publ., forthcoming 2004.

² Himanen applies the 'hacker' concept in a specific way, in that he distinguishes between hackers and crackers. The latter is a person who breaks into and spreads viruses in information systems. As it appears from Himanen's anecdote, a hacker is quite a different person – a hero rather than a criminal. In common parlance, however, the word 'hacker' is used to denote a person who spreads viruses. I have used 'hackers' in this paper in the 'Himanen' way.

all hackers are reluctant to make money by hacking, but they do not want to gain financially from methods that require them to keep information from others. One of the key questions for the hacker is, therefore, whether it is possible to create a free market economy in which competition is not combined with control of information. Neither traditional capitalism nor communism provides answers to the problem. The hacker community does not know the answer to this question, but the very raising of the question is viewed as a sufficient radical challenge.

The above summary of The Hackers Etic suggests a potential conflict between participating in open source communities and in economic activities in a market. In this paper I shall focus on this potential contradiction by investigating what happens to people's identities when they attempt involvement in both economic and open source activities. I use a single case to illustrate the analysis and combine institutional organizational and sensemaking theories.

Identities

I argue that 'identity' is socially constructed stories about individuals and their surroundings as they engage in their work practices. The stories position the individual 'in practice', in that they are tied to certain 'subject positions' – at the same time as the stories call into existence the individuals as subjects who are acting in certain ways (see e.g. a Hall, 1996). Identities are socially constructed phenomena that simultaneously help people feel secure and enable them to act. Identities are not, however, static. In practice they are socially negotiated (see e.g. Wenger, 1998), and in the process the delineation between the individual and its environment changes. Identity stories hold a description of the individual as a subject – a 'me' – in relation to two different environments. The 'me' of the subject is often described in relation to other subjects – the 'you' - and the two phenomena 'me' and 'you' assume the status of a common subject – the 'us' – acting jointly. Often, in these stories, the subject is also described in relation to another type of environment – an assumed objective environment called 'it'. This relationship expresses the alienation of the subject in the face of an environment towards which the subject acts instrumentally (see e.g. Westenholz, 2004).

In relation to the following analysis, it is important to distinguish between *practice stories* and *field stories*. Practice stories are about identities that are evoked through speech during work practice and which tell something about the identities involved in those practices. Field stories, on the other hand, are identity stories that have been widely distributed and are distinguishable in a social field without the storytellers necessarily recognising themselves in the stories (see e.g. Westenholz, 2004).

To understand, among other things, how knowledge sharing takes place in social systems makes it important to study the phenomenon of identity creation. In this short paper I shall not, however, discuss how identity creation relates to knowledge sharing, but 'only' analyze the social construction of identities.

An Empirical case: John participating in the economic world and open source communities

John is about forty years old, and worked in the media world in the past. In the mid-1990s he started an IT firm. In 2000, he wanted to publish a product he had developed as an open-source programme, in order to disseminate it and encourage others to elaborate on it. The concept of open source was a new phenomenon defined in 1998. John had learned about it from a programmer with whom he had collaborated. He was attracted by the idea because, as he says: 'It makes knowledge sharing possible. I think that what we are doing is universal, and should be accessible for all applications involving our product. Therefore it made sense to involve people working with similar problems in the development of the basic functions. Based on these functions, tailor-made solutions could be developed for various customers.'

During 2000, John became increasingly burdened with debts that required him to find venture capital. Although he succeeded in attracting capital, the venture capitalists would not accept open source as part of their business recipe. John was sacked, and in early 2001, found himself without a firm.

John mortgaged his flat and hired three employees who have developed a new model from scratch. As their point of departure, they downloaded an open programme from the Internet, further developed it, and subsequently uploaded the elaborated version, making it available for others. In further developing the programme, they collaborated with IT programmers who formally worked in other places, while simultaneously working openly on the Internet. As John says: 'To resolve problems at the same speed as was possible via the Internet would require several hundred employees. Many of the problems concern very specific issues, and when we inquire on the Internet it is rarely more than 24 hours before we have one or several responses.'

But even as John's employees draw their knowledge from the Internet, others have started to ask them questions via the Internet. If the questions concern issues that do not interest them but are easily resolved, they respond. As one of John's employees says, 'It's cool being able to produce something that others can use and to help some of the guys in the USA that you admire: Just do so and so.' Being able to respond to questions gives people status in the open-source community. But as John says: 'We don't spend a week correcting errors for somebody in the USA if it isn't something that we can use.'

John's firm makes money by adapting the product to the specific needs of specific customers. If Microsoft had developed the product, similar adaptations to customer needs would be required. The difference is that had Microsoft developed the product, the customer would have to pay a start fee, which is not the case when the product is available as an open-source programme. The advantage for John's firm is, however, that having developed the product, it occupies the cutting edge. It will take some time before others become equally adept at

adapting it to customer specific needs. But it also means that the firm must compete for producing the best quality rather than dominating the market, leaving customers with few other options.

John says that his firm rests on 'a reverse line of thought in relation to traditional economy and business strategy: 'It has taken a long time and we have been subject to great ridicule, but it has been fun to see that the customers now realise the great advantage of our approach. They have started to demand open-source products. The concept suddenly starts to spread – and quickly now.'

Sometimes the firm is also involved in the development of closed-systems products, as when the firm collaborates with hardware producers who are working with closed codes. But the closure is immaterial, according to John, because the product cannot be used in other contexts. 'It's fine. There are situations in which it is better to produce your own things and keep them as a business secrets, particularly if it concerns a very specific area.' Nevertheless he admits that other programmers may be able to transfer the codes to other situations, but the company with which John collaborate will not concede to openness for the product. He has accepted this condition, because 'It's worth more to us to produce this for XXX under the conditions which they stipulate. Then we can work for others in the way we prefer. So in the case of XXX, we work with a closed system.' John estimates that about 10% of the firm's jobs involve working with closed codes, and he does not expect this share to change to any appreciable extent.

Analysis of the social construction of identities taking place in the fracture between economic activities and open source communities

In the analysis I attempt to understand how identities are negotiated in work practice through the social processes of meaning creation, which – I argue - takes place on meaning arenas.

In keeping with Weick (1995:17), I understand *meaning creation* to be a probability-driven continuous social construction process embedded in the identity construction in which sensible environments enact. The process is often retrospective and involves a focus on extracted cues, which are simple, familiar structures. Weick (49-55) compares these structures with 'seeds' from which we develop a larger meaning of what is happening. In using the term 'seeds', Weick claims the open-ended dual quality of meaning creation because, like seeds, structures delimit the outcome (not everything can happen). On the other hand the seeds are not determining the concrete outcome of actions that are developed in interaction between the seeds and their environments. It is my assumption that field identity stories function as seeds in the processes of meaning creation.

I argue that meaning creation takes place in a *meaning arena* (se Hoffman, 1999 for an analyze with similarities to mine). A meaning arena is formed around issues or fractures emerging in work practice. These issues give rise

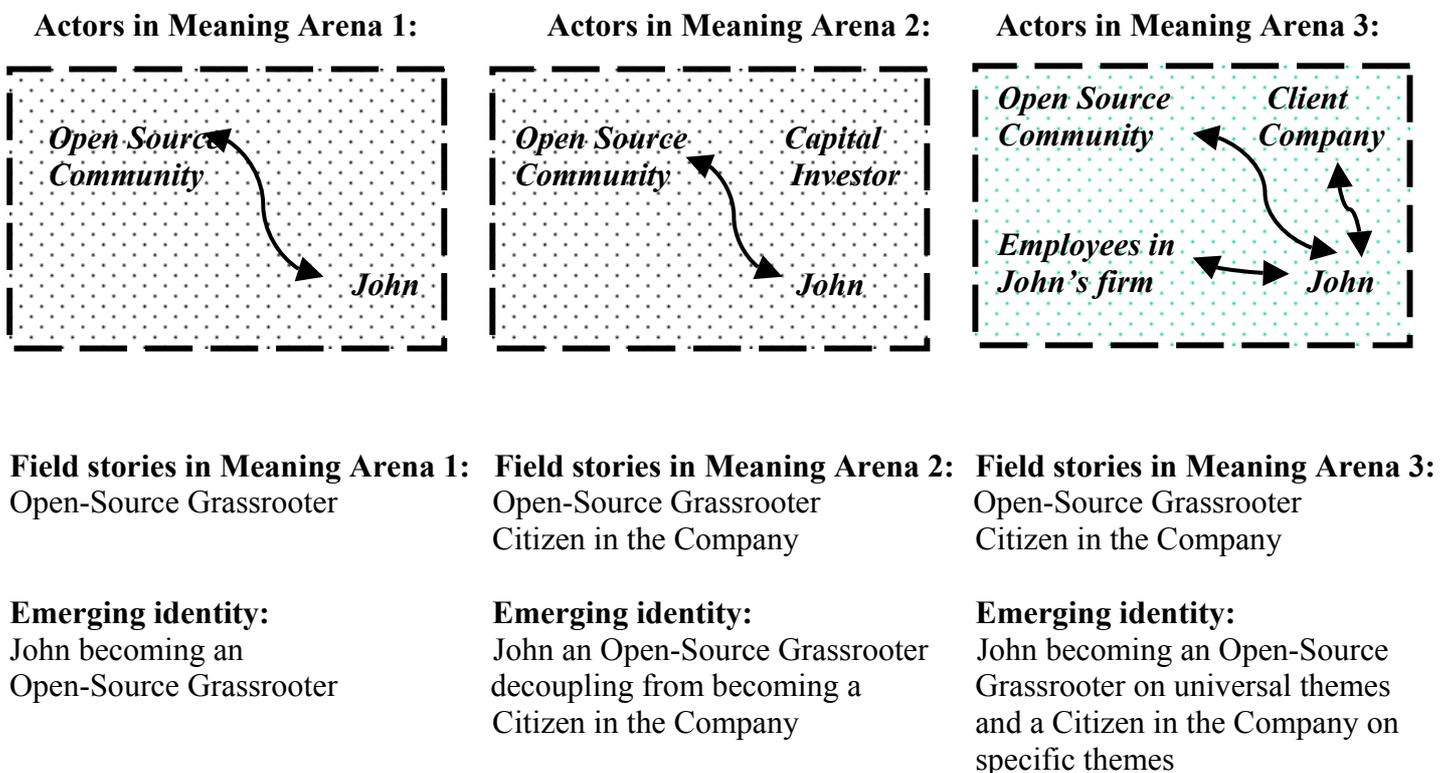
to ‘actors’ with different and sometimes opposing identities and interpretation of the issues. The actors may not all participate in the work practice and they may not all have an impact on the social construction of meaning but they try to negotiate an understanding of what is going on and by so doing identities might change. Meaning arenas are dynamic as actors enter and leave the arenas.

Actors are a reification: a social construction on which consensus exists in the sense that we agree on drawing boundaries around a unit named an ‘actor’. Actors might be individuals, groups, organisations etc.

Identities are then negotiated between actors around issues or fractures emerging in work practice as actors make sense drawing on and transforming field identity stories. The traditional analytical distinction between micro and macro phenomena collapses in the analysis. It is only in work practice that widely distributed field stories (some may call them macro phenomena) play a role in meaning creation (which some may call micro phenomena). Simultaneously, in work practice, the actors in the meaning creation transform field identity stories in the negotiation of identities.

Figure 1 illustrates the course of identity development taking place in connection with John’s work practice

Figure 1: Identity work as a dynamic negotiation of sensmaking in social meaning arenas



The story about John begins with his relating to the open-source community that has developed throughout the 1990s in the IT-field. In this relationship he appears as an Open-Source Grassrooter. Without the emergence of this community and his establishment of relations to the community, it is difficult to see how John would have entered business life so quickly and with so little friction – and survived.

Because of John's debt, a capital investor enters the meaning arena, which leads to a fight over whether John can survive as an Open-Source Grassrooter. The fight ends with a decoupling of John, the Open-Source Grassrooter, on the one hand and the capital investor on the other. In effect, John is in a position to survive as an Open-Source Grassrooter by mortgaging his apartment. Without this or another option, John an Open-Source Grassrooter would not have worked in practice. Being part of an open-source community, John employs other Open-Source Grassrooters, and they are mutually affirming their identity as Open-Source Grassrooters. This is possible because they can sell their products to firms in which they apply products they have developed. The products are accessible on the Internet; that is, other IT firms can use them for application in client companies. But the fact that John and his employees have developed the products means that they are a few steps ahead of their competitors in the application of the products. With this competitive advantage, their identity – as Open-Source Grassrooters – works in practice. Being Open-Source Grassrooters, John and his employees prosper, as clients are increasingly demanding open-source products as alternatives to the closed-code products of other companies.

But John has also been in contact with customers that demand closed codes. If John wants to collaborate with these customers, he must decline from working as an Open-Source Grassrooter. One would immediately assume that John would attempt to decouple himself from these customers, given that he has other customers. But this is not the case. He enters into the practice of using closed codes, and he makes sense of this practice by establishing a border between 'specific themes' and 'universal themes'. In relation to the former, it is acceptable to have business secrets. *During the period that I follow John he is emerging from an Open-Source Grassrooter to becoming an Open-Source Grassrooter in universal themes and a Citizen in the Company³ with closed codes in very specific themes.*

Conclusion

In the analysis I have drawn on a single case to illustrate what can happen to identities positioned in the fractures between the economic world and open source communities.

I argue that identities are not static phenomena that are permanently bonded to individuals, but *dynamic phenomena that emerge* in practice. A person's identity (subject position) is evoked through speech in stories that

³ Being or becoming a 'citizen in the company' means that John accepts the norms governing an economic unit as a company that defines its boundaries to the outside market and advocates closed codes, patents, etc.

give meaning in practice (they work in practice). The meaning is constructed in relation to the boundaries among the person's 'me', 'you', 'us', and 'it' – what is evoked in the stories. In the analysis, I identify two relevant identity stories: the Open Source Grassrooter, and the Citizen in the Company. I argue that identities are socially constructed, whether the identity remains the same or changes. That is, the boundaries evoked through speech in relation to 'me', 'you', 'us', and 'it' are either reproduced or displaced. This is illustrated in the analysis with a description of how a subject position of John is developed combining different stories about John as an Open-Source Grassrooter and a Citizen in the Company.

I also argue that the development of subject positions (identities) are not individual phenomena. Quite the contrary, they are *network phenomena* or *relational phenomena*. An identity is subject to stabilisation or change in processes in which relationships among actors determine whether or not an identity works. To capture these processes, I propose an analytical tool that I call *meaning arena*; it not only focuses on the actors, but also on the relationships among actors in the dynamic meaning arenas. Identities are negotiated between actors in the meaning arenas around issues or fractures emerging in work practice as actors make sense drawing on and transforming field identity stories.

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