6. From Welfare to Webfare

Who foots the bill? In other words, **who can take charge of this virtuous process?** Keynes' vision of welfare required choices such as prioritizing between social security and healthcare. While the former was rightly favored, it came at the expense of the latter. Webfare, however, sets off from a completely different premise: rather than drawing resources from existing value, which is often inadequate like a blanket that is either too short or too narrow, we tap into an entirely new capital. This is where the real challenge lies and, in the years to come, our social, economic, and philosophical imagination will have to focus on this pursuit. Such a pursuit would involve mobilizing the intelligence of researchers and universities alongside various intermediate bodies to develop capitalization criteria. Having stressed the importance of theory so far, I will dedicate this final chapter to the exposition of a practical proposal that is already being implemented.[1]

6.1 Virtue Banks

The proposal is based on the European legislation on data portability, initially designed to protect privacy but applicable to numerous areas where capitalization goes hand in hand with protection. **Nowhere does it say that this value can only be exploited, as it currently is, only by**

1 As part of the research conducted at Scienza Nuova, The Institute for Advanced Studies in Torino, https://www.scienzanuovainstitute.com/

U.S. American liberalist platforms (who privatize profits) or Chinese communist platforms (who socialize profits but stifle the freedom of citizens through the control of nationalized platforms). Regulation 679/2016 grants users the right to request data from platforms.[2] Furthermore, as of March 25, 2022, users have the possibility to access syntactic data, which, as we have seen, generates genuine capitalization. Data portability includes syntactic data from social networks, shopping records, medical information, education, and much more.

At this point, an intermediary (banks, hospitals, universities, cooperatives, and so on) steps in, which I refer to as a "Virtue Bank" because they manage data for philanthropic purposes. These 'banks' seek permission from their clients to request their data from platforms and create a data bank. They act as "data intermediaries" (as per EU language), to which users grant the right to transfer their data and merge it with others to create new capital. After account holders have given authorization, the intermediaries can request data on their behalf, collect, interpret, and capitalize on it, aiming to monetize the newly formed capital. In this sense, the "virtue" in such Virtue Banks does not simply mean generic philanthropy. It means that they follow rational rules like those regulating pension funds that ensure that profit-seeking does not jeopardize the interest of clients and include remuneration for those who manage the process. Contributors who simply provide access to their data, willingly forego individual capitalization, which would be relatively modest in any case. Of course, one can also envision an alternative and more individual approach, such as parents accessing their small data reserves to fund their children's education once they are of age. However, why limit

2 General Data Protection Regulation (GDPR), Regulation (EU) 2016/679, *Official Journal of the European Union*, May 4, 2016, Section 2, Article 20 (1)"Right to Data Portability:" "The data subject shall have the right to receive the personal data concerning him or her, which he or she has provided to a controller, in a structured, commonly used and machine-readable format and have the right to transmit those data to another controller without hindrance from the controller to which the personal data have been provided." https://gdpr-info.eu/

this possibility to a select few when it can become a shared heritage of all humanity?

The Webfare proposed by the Virtue Banks consists of three interconnected parts:

1) **a system of transparent privacy protection, where the Virtue Banks act as intermediaries managing authorizations for data use by commercial platforms.** What was once a free and often unconscious transfer of data is now conscious and monetizable, as platforms are required to pay the bank for these authorizations. In turn, the bank reserves the right to capitalize on the proceeds of such transfers and return the profits not directly to the account holders (the sums are too modest when distributed individually) but in the form of services, support, and education for socially vulnerable individuals.
2) **the development of a data interpretation system that would allow any institution motivated by clear philanthropic intentions to acquire data processing capabilities** (currently, these are largely centralized in U.S. American commercial platforms and Chinese state platforms). This fosters a virtuous circle of collaboration between academic research, industrial realities, and civil society, an untapped and underutilized potential at present.
3) **a capitalization system through the creation of an alternative platform with social purposes.** Once trust is established with the bank (with whom they already have a financial relationship), account holders, and hopefully an increasing number of third parties with social sustainability objectives, can access this alternative platform to voluntarily contribute valuable information for civic and philanthropic purposes.

6.2 Privacy Protection

Self-awareness, or understanding the origin of data, is the first step. Understanding that data is not just about privacy but is a wellspring of value sets the stage for this transformative endeavor. Public institu-

tions, hand in hand with the Virtue Banks, have the fundamental task to raise this awareness. This mission is as vital as seeking justice, bolstering public education, and establishing an efficient national health care system. Once this awakening takes place, a multitude of options awaits: first, monetization, where individuals assert their right to capitalize on their data, forging an individualistic solution to the conundrum of value; second, finalization, or claiming the right to determine the purposes for which our data can be used; and finally, mutualization, championing the social redistribution of data value not for mere private gains but to the benefit of disadvantaged groups—a path that, in its very essence, aligns with the spirit of Webfare.

By employing explainable AI algorithms and practicing responsible data collection, we will promote digital literacy within the social community, increasing "big data literacy"—the awareness, comprehension, and critical reflection of citizens regarding big data practices, risks, and implications, and their ability to implement this newfound knowledge for a more conscious utilization of their interests.[3] **Within this framework, the first step is to recognize that the value of data is equally dependent on the mobilization of humanity and on how this mobilization is intercepted and interpreted by platforms.** Everything discussed thus far provides sufficient grounds for establishing the right to data acquisition, its foundation resting not on claims of ownership, but on the labor of mobilization performed by humans on platforms. Data, in essence, would not even exist were it not for platforms that host and maintain it, raising doubts about the legitimacy of requesting unfettered data ownership just in order to sell it. However, since platforms do not own mobilization (and the needs that drive it) nor the data it begets, it is precisely through the appeal to the latter that we can justify sharing for the purposes of an alternative capitalization.

The second step is negotiation through the quantification of the value of data. The digital data economy, with data freely accessible

3 Ina Sander, "Critical Big Data Literacy Tools: Engaging Citizens and Promoting Empowered Internet Usage," *Data & Policy* 2 (2020), June 11, 2020, doi:10.1017/dap.2020.5

through social media, free apps, and Internet access, reached €94 billion in Europe in 2019, with no signs of slowing down. This staggering figure does not even include personal user information in the form of Structured Query Language (SQL) data such as financial information whose access is limited by data protection laws. By combining the structured data at their disposal with unstructured data from commercial platforms, data cooperatives will generate a much larger market value. Additionally, acting as data trustees for people and their decisions on data access and usage, **Virtue Banks will negotiate data access terms with partners from industry, leading to significant economic profit.** In this context, we must forge innovative ways to quantify the data we generate through our interactions with platforms. Within this framework, ways need to be developed to quantify the data we produce in our relationship with platforms.

Efforts are already underway[4] to demand control over one's data[5] and quantify it.[6] A fortunate stroke of serendipity lies in European privacy protection laws, founded on the civil law principle of the inalienability of individual rights that can become the means to recognize the magnitude of data produced. In the realm of data quantification, a new law can be formulated: the less privacy, the greater the amount of data collected by platforms, and vice versa. **However, *quantifying data* is not yet *quantifying the value of data***, and therein lies the great challenge. Contrary to interpretations that see the digital economy as favoring the market over the company,[7] here the company supplants the market and renders the

4 Vili Lehdonvirta, Brendt Mittelstadt, et al., *Data Financing for Global Good: A Feasibility Study* (Oxford Internet Institute: University of Oxford, 2016).

5 Jean Tirole, *Economics for the Common Good* (Princeton, NJ: Princeton University Press, 2017).

6 Luca Bolognini and Isabella de Michelis di Slonghello, "An Introduction to The Right to Monetize (RTM)," *Diritto, Economia e Tecnologie della Privacy* (2018); Rodrigo Montes, Wilfried Sand-Zantman, and Tommaso Valletti, "The Value of Personal Information in Online Markets with Endogenous Privacy," *Management Science* 65: 3 (March 2019): 1342–1362.

7 Viktor Mayer-Schönberger and Thomas Ramge, *Reinventing Capitalism in the Age of Big Data* (London: Basic Books, 2018).

determination of public value impossible. Just what is the value of information that makes it possible to fly planes at full capacity based on passenger behavior data? This is a question that will never be answered if data acquisition remains the result of private negotiations between platforms and companies. If there were a market (and there will be one when data investors distinct from platforms enter the scene), there would be supply and demand and they will dictate the value. **The key to establishing a data market, and hence determining the value of data, lies in formulating public criteria for their interpretation.**

6.3 Interpretation

Commercial platforms interpret data on the basis of algorithms, whereas Virtue Banks can couple structured data with unstructured data (sourced from their members via commercial platforms), resulting in a much greater body of knowledge. This allows us to address a legitimate concern, namely, that harnessing the potential of big data demands the application of cutting-edge technologies and expertise. Public administrations, local health authorities, cooperative banks, universities, and museums, that is, the institutions that can be transformed into **Virtue Banks**, are smaller and less well-equipped hermeneutically than commercial platforms and are thus destined to succumb in the competition. Fortunately, Virtue Banks have a distinct advantage over their gargantuan commercial counterparts: they have structured data at disposal (bank account holders, members of a cooperative), and do not have to rely on algorithms to compute the social data of their members. This significantly reduces the inherent randomness of abductive reasoning. The application of cutting-edge technologies and fostering innovation become a paramount pursuit, and the path forward lies in leveraging **the intellectual capital** of researchers and universities that will support the Virtue Banks in devising hermeneutic criteria, which neither Silicon Valley nor Shanghai can monopolize.

Such an endeavor aligns with the theory of **a fourfold notion of truth**, which I explored in detail elsewhere.[8] This theory centers on the following premise: **Data, forming the ontological level, serves as *truth-bearer* in the sense that it does not inherently possess truth or meaning but plays a pivotal role by existing as a document that provides the raw material for interpretation.** Effective hermeneutics first demands the acknowledgment of the material basis of data, of its literal foundation as that which constitutes the object of recording, i.e., what I call the bearer of truth. This material basis consists in the enormous variety of human life forms that, when meticulously documented and collected, constitute a new ontological realm of data. All data, just like sensations, are real. However, being real is not the same as being true. This is why refining data is more complex than refining petroleum, though it requires significantly less investment and equipment and often just intelligence and intuition.

The technological level consists of *truth-makers*, that is, of the technical procedures employed to extract meaning and correlations from data. It is at this level that platforms with structured databases play a decisive role. They can secure a competitive advantage over large commercial platforms, provided that they can effectively compare their structured data with the colossal sea of big data offered by commercial behemoths. **This involves the cross-referencing of the semantic data already at disposal of institutions with the semantic and syntactic data produced by their members and obtained through data portability laws.** We find at this intersection the potentially greatest cognitive enterprise humanity can embark on. It is within reach of numerous actors, unlike the oligopoly of the current big players. Valuable correlations between lifestyles, diseases, educational trajectories, and financial prospects can be obtained through the combination of structured semantic data (e.g., preexisting conditions, career choices, mortgage agreements) and big data, both in its semantic (social media posts) and syntactic form (e.g., behavioral patterns of data producers).

8 Ferraris, *Doc-Humanity*, cit.

The rules of correlation forming the core of so-called 'data science' are a mixture of hermeneutic and epistemological precepts. Here are some examples: follow explicit, verifiable, and repeatable processes; remain cognizant of the context of data production; deconstruct problems analytically for data-driven solutions; remember that entities which are alike in known aspects may also be alike in unknown aspects; do not generalize conclusions drawn from limited or overanalyzed data sets; and try not to draw conclusions influenced by factors external to the data being examined.[9] The process must start with the premise that, contrary to popular belief, understanding reality does not diminish freedom; rather, the better we comprehend the reality in which we make our choices, the more freedom we have to make informed decisions, as our choices would be conditioned to a lesser extent by our limited understanding.

At the epistemological level of *truth-tellers*, it becomes imperative to move beyond the realm of mere interpretation and aim for explanations. Allow me to elaborate. Hermeneutics, the art of making connections and establishing correlations, is the task of technicians—be they hermeneuticians, semioticians, data scientists, or whatever nomenclature suits. These are individuals whose distinct prowess lies in processing data and deriving meaning from it not unlike the codebreakers of the German Enigma cipher, led by the ingenious Alan Turing at Bletchley Park, who were the early pioneers of computer science.

However, **it behooves us to recognize that the ability to interpret a code does not bestow universal scientific wisdom, as some semioticians and hermeneuticians of the last century might have misleadingly suggested (or perhaps, as we wished to believe in order to console ourselves).** Much like knowing the letters of the alphabet does not amount to possessing absolute knowledge, the outcome of deciphering Enigma would not have secured victory for the Allies without the strategic insight of experienced generals. This may seem obvious, but it is not. For instance, Google's ambitious proposition of extending a national healthcare service to the United States holds promise and virtue, given

9 Foster Provost and Tom Fawcett, "Data Science and its Relationship to Big Data and Data-Driven Decision Making," *Big Data* 1 (2013): 51–59.

the lack of universal healthcare in the country. Nevertheless, we must question the prudence of entrusting the medical care of uninsured American citizens to hermeneuticians, semioticians, or data scientists instead of skilled medical professionals. In other words, **the possession of standards and methods of interpretation must systematically coincide with appropriate scientific expertise in the relevant domain of analysis, whether economics, medicine, history, law, or any other domain of knowledge.**

However, none of this would make sense without the ultimate recipients of interpretation, the *truth-users*, namely humans, who stand at the beginning and end of this process. Recording, as a mechanical function, generates the system; consumption, as an organic function, produces value. Going back to what was said about human forms of life, this value production entails both primary production (where humans define what is good) and secondary production (where humans, through their mobilization, help automate production). This is why consumption, often considered labor's lesser sibling, emerges as a higher-order production—the vanguard of values—for it has always been the producer of use-value (without consumers, there would be no value in general). But, with the advent of widespread Web-based recording, consumption has now become the producer of exchange value.

6.4 Redistribution

Moving on, we come to the redistribution of data. **The current emerging post-industrialization landscape reveals a paradox: while automation guarantees greater availability of goods, it also leads to a rarefication of traditional job opportunities. This imbalance poses a threat to the system, for if consumers are unemployed because of automation, they cannot afford to purchase goods. To prevent a collapse, we must ensure that consumption produces new value.** This, in fact, is the most efficient and powerful self-sustaining form of capital in history that has yet to be leveraged. **As for commercial platforms, the absence of a data stock market renders it difficult to implement fair compensation**

policies aimed at redistributing the surplus value. Consider the taxation proposals set forth by China and already partly embraced by the United States and the European Union.[10] While some may fear that such redistribution endeavors might risk passing costs onto users, we must remember that platforms would lose all appeal if they ceased to provide services for free. The main impediment lies in the fact that, without a **data stock market,** it is very difficult to determine the value of data and apply appropriate tax pressure on these platforms.

Compensation, however, is not limited to the redistribution of tax revenue. It can also involve the expansion of areas offering free goods and services (thus leveraging the idea of "human heritage" in line with the commercial interests of platforms. Such an alignment is consistent with our overarching approach, where user contribution involves mobilization and platform contribution comprises recording and production. Gratuity should thus not be seen as a *common good* but as a ***collaborative product.*** This terminological differentiation is crucial, as it emphasizes that users do not claim a right to the capital obtained from data *capitalization* by platforms—such claims fall under the purview of state taxation. Instead, gratuity stands as a testament to their mobilization in the *production* of data. In this context, **Virtue Banks must engage in the sharing not of data itself but of its value.** If compensation involves an intervention on already capitalized data, then we are dealing with two fundamentally different processes.

First, there is the production of value through an alternative and autonomous capitalization, one distinct from that carried out by commercial platforms whose contribution is limited to the sharing of data with the Virtue Banks. Second, to avoid that the term "Virtue Bank" appear abusive or overly rhetorical, it is essential for the concept to embody genuine and transparent virtue. In other words, **the purpose of the Virtue Bank is not to reward account holders**—traditional banking and stock exchange services cater to those with financial assets. **Instead, it seeks to**

10 Naoki Matsuda, "Is China Considering a Data Tax on Big Tech? Signs Point to Yes," *Nikkei Asia*, November 22, 2021, https://asia.nikkei.com/Economy/Is-China-considering-a-data-tax-on-big-tech-Signs-point-to-yes

integrate the vast majority of humanity who may lack funds but possess valuable data into the economic playfield. This integration is achieved by opening an account in the bank, based first on data and then on liquid assets, offering a pathway for substantive, rather than merely formal, citizenship. **From the perspective of Virtue Banks, the proceeds from data interpretation will be redistributed to users according to their economic needs or, alternatively, reinvested in projects aimed at promoting the well-being of the local community** (e.g., the integration of vulnerable individuals, assistance for local research), following the mutualistic nature of data cooperatives.

The rationale behind this allocation diverges significantly from the conventional concepts of universal or citizenship incomes, which have been proposed over the past two centuries and gained momentum in recent decades, especially in response to the challenges posed by automation and its impact on employment. Instead, it rests on the idea of mutualization. "Mutualization" typically refers to the distribution of debt among many parties; in this case, however, we are dealing with a mutuality based not on debt but on credit. All parties involved in the process of capitalization generate value. However, those fortunate enough to possess existing sources of income willingly forgo personal profits in favor of a more substantial and meaningful redistribution. This is not a mere blanket redistribution to those without income, but rather a targeted and thoughtful approach based on data contributions.

Is such an initiative possible? From our perspective, yes. Current account holders who authorize the bank to retrieve and capitalize their *social* data already find themselves in a position of financial stability—they have bank accounts. It is also presumed that they are generous individuals, as they typically disapprove of the greed of *conquistadors* and commercial entities that hoard profits rightfully belonging to all of humanity. It would therefore seem rather odd if they claimed for themselves the profits generated by the capitalization of their data. After all, the fascinating aspect of data is that it becomes more valuable the more humans provide it. Therefore, it is reasonable to assume that many, if not the majority of these forward-thinking individuals, would warmly embrace an alternative scenario. For example, they might prefer to see the

one billion dollars resulting from capitalization not merely distributed among one million account holders (resulting in meager one thousand dollars per year, or less than one hundred dollars per month), but rather channeled towards granting ten thousand dollars to one hundred thousand people in need. These individuals may not currently have a traditional bank account but possess a cellphone and have opened a data account with the Virtue Bank, thus increasing the data capital that sets them on the path towards substantial citizenship. For rights and documents hold limited worth without the added dimension of financial assets. Conversely, the voluntary relinquishment of one's share of capitalization is neither forced nor illiberal, as those who have embraced the alternative capitalization process have done so willingly, with the freedom to choose either to abstain from participating or to capitalize their data in a privatized form.