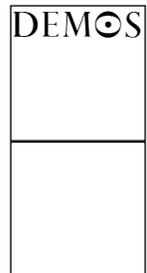# Power does not reside in institutions, not even the state or large corporations. It is located in the networks that structure society . . .

Afterword: why networks matter

Manuel Castells

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17. Afterword

why networks matter

Manuel Castells

According to the insightful essays in this volume, networks appear to be the organising form of life, including social life. If this is the case, why is it only in recent years that networks have come to the forefront of social practice? Why the network society *now*?

The answer is in the development of microelectronics and software-based communication technologies. Of course, we know that technology does not determine society. But we also know that without specific technologies some social structures could not develop. For example, the industrial society could not have emerged without electricity and the electrical engine.

Thus only under the conditions of the recent wave of information and communication technologies could networks (an old form of social organisation) address their fundamental shortcoming: their inability to manage coordination functions beyond a certain threshold of size, complexity and velocity. Only under the electronics-based technological paradigm can networks reconfigure themselves in real time, on a global–local scale, and permeate all domains of social life. This is why we live in a network society, not in an information society or a knowledge society.

Indeed, if by information or knowledge society we mean a society in which information is an essential source of wealth and power, I doubt there is any society in history that escapes this characterisation. If by information society we mean a society in which the

technological paradigm is the dominant medium for social organisation, this is our society. But to characterise society only by its technological dimension is reductionist and implicitly deterministic. The proper identification of our society is in terms of its specific social structure: networks powered by microelectronics and software-based information and communication technologies. If this is the case, as a growing body of research seems to indicate, a number of consequences follow.

First, the network society expands on a global scale. This is the structural basis for globalisation. Networks know no boundaries. If there is a material communication infrastructure (such as the internet or an air transportation network) societies become interconnected throughout the world on the basis of multidimensional networks. Furthermore, the networking logic explains the features of the process of globalisation. This is because, as Geoff Mulgan explained to us in his pioneering work more than a decade ago, networks communicate and incommunicate at the same time. So while the network society is organised on a global scale, not all territories, or people, are connected in this network society. But all countries are influenced, shaped and ultimately dominated by the logic, interests and conflicts of this network society – the multidimensional network of networks structuring people's life around the planet – while also being shaped and modified by the codes and programmes inscripted by people's action.

Second, networked organisations outcompete all other forms of organisation, particularly the vertical, rigid, command-and-control bureaucracies. This is how networks expand, for instance, in the business world. Companies that do not or cannot follow this logic are outperformed and ultimately phased out by leaner, more flexible competitors. Yes, we live in a world of mergers and conglomerates, but the succesful ones are precisely those based on networks and flexible partnerships. The image of networked firms is too often associated with small and medium-sized businesses. In reality, it is a much more complex world of large firms internally networked, cooperating with networks of small and medium firms, and

integrated in broader, strategic alliances in which cooperation and competition alternate, often with the same actors, in different times and spaces.

Third, the networking of political institutions is the de facto response to the management crisis suffered by nation states in a supranational world. The call for global governance has been answered to some extent in the practice of governments and social actors. Not under the utopian form of a world government led by retired statesmen and noble intellectuals, but in the daily practice of joint decision-making in a network state made of nation-states, supranational associations, international institutions, local and regional governments, and quasi-public non-governmental organisations.

Fourth, civil society is reconstructed at the local and global level through networks of activists, often organised and debated over the internet, which form and reconfigure depending on issues, on events, on moods, on cultures. The network society does not cease to be a contradictory structure, and a conflictual practice, as all societies in history have been.

Fifth, sociability is transformed in the new historical context, with networked individualism emerging as the synthesis between the affirmation of an individual-centred culture, and the need and desire for sharing and co-experiencing. Virtual communities and smart mobs, hybrid networks of space and photons (as in the ME++ culture conceptualised by William Mitchell) are redefining space and time not in the terms of the science fiction writers but as the appropriation of technology by people for their own uses and values.

Sixth, the whole range of social practices, both global and local, communicates in the media space. The media, in the broadest sense, are the public space of our time: the space in which, and by which, societies exist as social forms of shared experience. Not just the mainstream media, but all media, the hypertext formed by television, radio, the print press, movies, music, videogames, art – and the internet as the communication medium of all the communication media. The elasticity and interactivity of the media hypertext, its

recombinant power, provide the media space with infinite capacity to integrate and to exclude, thus defining the boundaries of society in the material world of our minds and representations.

Finally, in this network society, power continues to be the fundamental structuring force of its shape and direction. But power does not reside in institutions, not even in the state or in large corporations. It is located in the networks that structure society. Or, rather, in what I propose to call the 'switchers'; that is, the mechanisms connecting or disconnecting networks on the basis of certain programmes or strategies. For instance, in the connection between the media and the political system. Or between the financial markets and the regulatory agencies. Or between the criminal economy and the same financial markets. Or between religious apparatuses and government leaders. Or any multi-pronged combination of any of the previous combinations.

Power elite? Precisely not. Elites change with each reconfiguration of networks. Power is exercised by specific configurations of these networks that express dominant interests and values, but whose actors and forms can change. This is why to challenge a certain group in government or in business does not alter the structural logic of domination. This is why to counter networks of power and their connections, alternative networks need to be introduced: networks that disrupt certain connections and establish new ones, such as disconnecting political institutions from the business-dominated media and re-anchoring them in civil society through horizontal communication networks. Networks versus networks. Domination can hardly be exercised against self-configurating networks. And democratic control is lost in a global network of multidimensional domination hidden in the complexity of switches.

Networks matter because they are the underlying structure of our lives. And without understanding their logic we cannot change their programmes to harness their flexibility to our hopes, instead of relentlessly adapting ourselves to the instructions received from their unseen codes. Networks are the Matrix.

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