The Internet as a Hegemonic Locus of Power: On the Case of Facebook

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Today’s hegemonic combatants for power are nation states just as much as blue chip companies, religious leaders, Hollywood directors, and athletes, striving to execute control over their respectable loci of power and dictating a lingua franca for transaction. Driven by the emergence of the Internet, the digital revolution has given rise to an expansion of the fitness landscape of global power dynamics. Originally limited to the virtual domain, the Web 2.0 has transitioned into an interconnected driver of the network economy, being both a playing field for feats of strength between hegemonic contenders as well as hard-fought territory. In 2004 Facebook launched an online social networking service that allowed for the transfer and manifestation of social capital in the form of shared bonds, values, norms, and institutions in the digital sphere. Today, Facebook has 1.5 billion active users per month, a market capital of over $250 billion dollars, and a presence in every country of the world. Clearly, Facebook is a powerful player in the Internet’s fitness landscape, but power alone does not make a hegemon. In an effort to examine whether hegemonies and hegemonic transitions exist on the Internet, potentially facilitating a hegemonic change of the status quo, this paper will examine the source of Facebook’s power, its structure, and its development in the context of hegemonic theory using a systemic case study evaluation. This paper will argue that Facebook has established itself as one of the first hegemons of the Web 2.0, vigorously employing power expansion strategies in the form of a hegemonic narrative in its struggle for dominance. Furthermore, the paper aims to apply the theory of hegemonic transition to the case of Facebook as a framework for the examination, allowing for an evaluation of its present and future power. This paper investigates the question: By what means is Facebook a powerful hegemon and how does the theory of hegemonic transitions apply? The question is relevant as it investigates whether the Internet has given rise to new hegemonic loci of power that might function as change agents for the prevailing status quo.
Hegemonic Transitions as Change Agents for the Status Quo

“The most dangerous ideas are not those that challenge the status quo. The most dangerous ideas are those so embedded in the status quo, so wrapped in a cloud of inevitability, that we forget they are ideas at all” (Apple 2014, 76).

Hegemonic struggles are omnipresent in the millennial global world, crossing the borders not only of nations but also the field of political leadership. We see this play out across multiple stages including Russia’s entry in the Syrian civil war on the side of President al-Assad, presenting the country not only as a fighter against evil but also as a promising aspirant for the power vacuum surrounding the position of the world’s police; the ongoing US-EU negotiations on the harmonization of standards for the Transatlantic Trade and Investment Partnership (TTIP), concerning a multitude of cultural, legal, and economic topics from raw milk cheese to arbitral courts; and Volkswagen’s false emission claims for diesel cars aiming to secure the company a spot on the top of the international business ladder as an ecological pioneer and sales leader. Today’s hegemonic combatants are just as likely to be blue chip companies, religious leaders, Hollywood directors, and athletes as they are nation states, each striving to execute control over their respective locus of power and dictating a lingua franca for transaction. As the result of these struggles, challenging the prevailing power dynamics and structures of the status quo, a new hegemon eventually emerges commanding a greater centralization of systematic power than before (Arrighi and Silver 1999, 37–96).

Hegemony is built solely on power. However, to secure its position it has to represent the general interests of the system in which it operates, offering liberation from the “tyranny of small decision[s]” (Waltz 1979, 108) and demonstrating the capacity to pursue greater systematic interests. A hegemon needs to offer something in return for the public’s consent in order to perpetuate its power. The security and predictability that fuel and enable the hegemonic system provide a narrative, or basis for exchange. However, this security comes at the price of freedom, not only physical or financial freedom but, more dangerously, freedom of choice and thought, locking the dominated into a status quo without perceivable alternatives. Arrighi and Silver (1999) have condensed the characteristics of hegemonic leadership into a meta-theory, according to which this type of leadership follows repetitive multi-phase cycles (hegemony, crisis, breakdown, new hegemony) that encompass the challenging and eventual reorganization of the prevalent status quo. The repetitive, orderly nature of the phases unveiled by the theory of transitions allows for an evaluation, comparison, and contextualization of hegemonic struggles.

Driven by the emergence of the Internet, the digital revolution has given rise to an expansion of the fitness landscape of global power dynamics (Harvey 1991). Originally limited to the virtual domain, the Web 2.0 has transitioned into an interconnected driver of the network economy, being both playing field for feats of strength between contenders as well as hard-fought territory. The increasing manifestation of the virtual world in the ‘real’ world is evidenced by the crosslinking of the digital sphere: Internet start-ups blossom, companies sell their goods online, politicians campaign on social media, and international laws now regulate online behavior and activities.
One of the most powerful players in the network economy is Facebook. Launched in 2004, today Facebook has 1.5 billion active users per month with a market capitalization of over $250 billion dollars (Forbes 2015). Power alone, however, does not make a hegemon. In an effort to examine whether hegemonic transitions exist on the Internet, potentially facilitating a change of the status quo, this paper will examine the source of Facebook’s power, its structure, and its development in the context of hegemonic theory. This paper will argue that Facebook has established itself as one of the first hegemons of the Web 2.0, vigorously employing power extension and expansion strategies in the form of a hegemonic narrative. The following questions will be investigated: By what means is Facebook a powerful hegemon? How does the theory of hegemonic transitions apply?

Theoretical Background – A Conceptual Convergence to Hegemonies

This section of the paper aims to unveil the “global fog” surrounding the theoretical and practical foundation of “hegemony” by drawing on its use in modern research (Arrighi and Silver 1999, 3). This will be followed by an overview of the different forms of hegemonic loci of power as they emerge from nation states and social capital. Furthermore, an introduction to transitions of power will compare the differences and similarities between state-based and non-state-based hegemones.

Hegemonic Theory based on Gramsci

“Hegemony” in common use means the domination or authority over others (O’Reily 2006, 248). As conceived by the Italian Marxist Antonio Gramsci, the term describes a form of domination based on consent, namely the domination of subordinate classes by a ruling class: “The supremacy of a social group manifests itself in two ways, as ‘domination’ and as ‘intellectual and moral leadership’. A social group dominates antagonistic groups” (1971, 57).

However, hegemony differs from more direct forms of domination as it introduces the additional component of public consent. Hegemonic leadership rests on the capacity of the dominant group to “present itself, and be perceived, as the bearer of a general interest” (Arrighi and Silver 1999, 26).

“It is true that the State is seen as the organ of one particular group, destined to create favorable conditions for the latter’s maximum expansion. But the development and expansion of the particular group are conceived of, and presented, as being the motor force of a universal expansion” (Gramsci 1971, 181).

Consequently, hegemony describes the power that accrues to a dominant group by virtue of its capacity to govern society in a way that not only caters to the dominant group’s own benefit, but is also perceived by subordinate groups as serving the general interest (Mouffe 1979).

Loci of Power

The concept of hegemonic power as socially, politically, and economically predominant over others has been used throughout history as an interpretative frame for geopolitical power struggles. However, the term need not be restricted to struggles between nation states. Indeed, any “economic unit” (Kindleberger 1969, 297) can be analyzed through the lens of hegemony which is particularly relevant given the rapid expansion of global corporations (Jacobs
The emergence of new hegemonic contenders—which extends the domain, intrinsic logic, and scale of hegemonic power struggles—has been facilitated by the spatial and temporal compression through globalization which began in the second half of the 20th century (Harvey 1989, 240). The disempowerment of states vis-à-vis non-territorial, supranational economic forces has been widely discussed. Indeed, capital-based market players have gained power, extended their influence in the social and political sphere, and now face nation-states as equals in the struggle for power.

The rapid expansion of the Web 2.0 has facilitated the rise of the network economy where products and services are created and value is added through social networks operating on large scales (Shapiro and Varian 2013). The powerhouses of the Internet are closely cross-linked with politics, economics, business, law, and society—much like the industries of yesterday. However, the currency of their influence differs from that of both states and earlier markets. Power on the Internet is based on social capital that is acquired from linking users with goods, services, ideas, and other users. Social capital in turn is ‘translateable’ into actual capital and therefore market power, which is an entirely new phenomenon.

**Dynamics of Hegemonic Transitions**

Periods of hegemonic transition are marked by the reorganization of world-scale processes of capital accumulation. Transitions facilitate systemic change, a process of radical reorganization that changes the nature of the system’s components, as well as the way components relate to one another (Arrighi and Silver 1999, 21).

Immanuel Wallerstein applied the concept of longue durée to hegemonic transitions. He modeled such transitions as multi-phase cycles that are the outcome of long periods of competitive expansion (1984, 39). Arrighi and Silver further developed Wallerstein’s cycles, introducing the possibility of systemic property change as compared to the perpetual repetition of patterns in the same system. Small-scale changes on an organizational level may have large-scale repercussions on a systemic level that change the hegemonic trajectory entirely. Their model of transitions consists of four evolutionary stages: hegemony, hegemonic crisis, hegemonic breakdown, and new hegemony (1999, 27).

**Stage 1: Hegemony**

Gramsci developed the notion of hegemony as an explanation for how dominant classes can further their own, self-serving interests at the expense of and with the support and participation of subordinate classes. This can be achieved by what Gramsci calls cultural institutions, whereby the interests of the dominant class are expressed as the general interest of all classes. To be successful, the dominant group needs to credibly present their rule as catering not only to their benefit but also to system-level problem-solving. Domination can be exercised without force by demonstrating the capacity to lead the system out of the “tyranny of small decisions,” or individual interests (Waltz 1979, 108).
INTERLUDE: EXPANSION

The new hegemonic system expands its narrative through an interplay of two different kinds of leadership. First, systematic reorganization accommodates a division of labor and specialization, driving cooperation between the system’s units. Second, an emulation of successful hegemonic strategies provides the “motivational drive needed to mobilize energies and resources” (Arrighi and Silver 1999, 30). While emulation initially operates in a cooperative context, expansion eventually increases the volume (number of socially relevant units that interact within the system) and dynamic density (the number, variety, and velocity of transactions that link the units to one another) of a hegemonic system, facilitating an increase in competition among the system’s units beyond regulatory capacities. Upon entering this stage, the hegemony is in decline (Durkheim 1984, 200–205).

STAGE 2: HEGEMONIC TRANSITION - CRISIS

By virtue of its achievements and power, dominant hegemons become the model for other contenders’ isomorphism. New loci of power emerge through absorptive capacity on the margins of the declining power’s radius of action, as competitors overtake hegemonic functions (Gilpin, 1981; Arrighi and Silver 1999, 27).

Moreover, hegemonic crisis is characterized by financial expansion beyond the control of the incumbent power, in which capital is diverted from the supply of public welfare. Such expansions are facilitated by several complementary tendencies: first, through the over-accumulation of capital that occurs whenever the profits accumulate in financial markets “on a scale beyond the normal channels... [and] in a position to take over... all the activities of the business world” (Braudel 1984, 1984); second, by an intensification of inter-hegemonic competition that is prompted by this over-accumulation of capital; and third, the tightening of budget constraints in the face of slowing hegemonic expansion due to decreasing investments (Silver and Arrighi 1999, 31).

Indicative of a crisis is the escalation of social conflicts. During transition, intensified inter-hegemonic competition places strain upon the social welfare. Financial expansion leads to a polarization of wealth as only capital-abundant parties gain from it (Arrighi and Silver 1999, 29).

STAGE 3: HEGEMONIC TRANSITION - BREAKDOWN

Hegemonic breakdowns are the tipping point of the transition. Breakdowns are characterized by systemic chaos—the disintegration of systemic organization and power structures. According to Emile Durkheim, a breakdown ultimately occurs due to an expansion in the volume and dynamic density of a system that outgrows the organizational capabilities of the hegemonic complex (1984, 200–205). The increasing disorganization is fertile soil for the establishment of emergent powers that satisfy the demand for functional system-level governance by a greater centralization of capabilities (Arrighi, 1994).

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1 In sociology, an isomorphism is a similarity of the processes or structure of one organization to those of another, be it the result of imitation or independent development under similar constraints (Caemmerer and Michael 2001). Here, it means an adaption to and emulation of the systematic structure of the reigning hegemony followed by an overtake and expansion of functions.

2 In business administration, absorptive capacity has been defined as "a firm's ability to recognize the value of new information, assimilate it, and apply it to commercial ends" (Cohen and Levinthal 1990, 128). Here, it means a network's ability to take on networks or units that belong to a hegemon.
Stage 4: New Hegemony

According to Arrighi’s and Silver’s endogenous model, the hegemonic system changes with every cycle in two main respects. First, it represents a greater concentration of organizational capabilities and second, it manifests increased power compared to its predecessor. Transition therefore follows a pattern of evolution, as each new hegemony exhibits greater capabilities than the preceding one (1999, 34).

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Expasion through reorganization and emulation

Figure 1: Dynamics of Hegemonic Transitions, as adapted by the author.

Facebook as a Hegemon

Facebook is a popular, free, social networking website that allows registered users to create profiles, upload text, photo, and video content, share links, and send messages to keep in touch with friends, family, and colleagues, thus building and sharing social capital in the form of digital connections. Facebook has grown into a multinational cooperation with more than 1.5 billion monthly active users as of August 2015 and annual revenues of more than $12.5 billion (Facebook Investor Relations, 2015). The company’s main source of revenue is personalized online advertising on the basis of big data provided by its users that allows for close-meshed, target-group segmentation. Furthermore, Facebook has expanded into the subsidiaries Whatsapp (Instant Messenger), Instagram (Photo Sharing), Oculus VR (Virtual Technology) and PrivateCore (Software Development) (Abutaleb 2015; Investopedia).

Internet-based companies have acquired market power by gathering social capital through the connection of users with goods, services, ideas, and other users. Social capital is valuable as it functions as the bond of shared values, norms, and institutions, ‘gluing’ together society by accommodating connections between individual and...

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3 Advertising on social media includes not only traditional forms of advertising, such as online billboards and campaigns, but also PR-coordinated self-presentation and customer interaction as well as sponsored content.
collective stakeholders (Narayan-Parker 1999). While the emergence of hegemonic loci of power on the basis of state- and market-based capital is theoretically and empirically documented, a gap exists as to whether digital social capital can serve as the foundation for a modern hegemon. This section therefore aims to overcome the research gap by testing whether hegemonic theory is applicable to one of the most dominant companies of the Web 2.0.

**Hegemony**

The network that Facebook has built, linking users as well as information on the Internet, is simultaneously the company’s key product and the source of its power. Facebook serves as an online super-hub, facilitating the small-world network structure of the Web “that has managed to organize itself so that information can move between any two points in only a handful of steps” (Buchanan 2003, pos. 1215). Super-hubs are extremely well connected nodes that contain huge numbers of links to other webpages, therefore decreasing the diameter of the Web by creating a small-world network structure. Facebook’s structure exhibits a small-world network pattern, as described by Watts and Strogatz. In this, a multitude of strong ties (linked users who share mutual acquaintances) and fewer weak ties (linked users who share very few or no mutual acquaintances) function like bridges connecting otherwise distant, alien social worlds (Buchanan 2003).

Sociability, or “the accumulation of decentralized decisions that come to constitute, over time, large-scale social structures” (Grewal 2008, 45), has supported the emergence of Facebook as a small-world network. Facebook is valuable insofar as it accommodates the emergence of both bonding and bridging social capital. Social capital bonding occurs within a group network that is homogenous in their social-economic characteristics (generally connected by strong links), whereas bridging emerges from connections between heterogenic groups (generally connected by weak links) which benefits social cohesion and collective action (Putnam 2001).

Facebook functions as a standard, defining a particular way in which people are interconnected in a network while enabling network members to gain access to one another and facilitating their cooperation and exchange. Facebook allows for building, exchanging, and sharing digital social capital, increasing satisfaction by accommodating basic social welfare needs (Maslow 1943).

As Facebook has increased in size, it has grown into a dominant network power. It is the positive feedback generated by the adoption of a standard, “that constitutes its power” (Grewal 2008, 25). “The pull’ that a standard has [is] because it underlies a network of users to whom others want to gain access” (Grewal 2008, 25). Facebook’s growth has brought two additional externalities. First, the greater the number of people who use a particular standard, the more valuable it becomes for other potential users to adopt it, as it offers access to a greater number of people in a network. That is, “[a] commonly used standard uniting a desirable network will be attractive to any outsiders wanting to gain access to that network” (Grewal 2008, 23). Second, over time, the scale effect for coordination eliminates alternative standards as they cannot compete with the attractiveness of

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4 The Web differs from the small-world network structure discovered by Watts and Strogatz as it is not the composition (strong vs. weak ties) of the links between elements that account for the structure but the multitude of links centered at a single hub.
large networks that offer a greater scale of access (Buchanan 2003).

Facebook is a mediating standard—one that governs access to others by its very nature—controlling the network through the pull of its membership. As the choice to join Facebook is generally free as opposed to a choice that is forced or lacking alternatives, i.e. a potential user decides to join on the basis of individual extrinsic (scale advantages) or intrinsic reasons (easier and richer forms of social interaction), membership can be regarded as a form of consent (Grewal 2008). With 217 million active users in North America in 2015 (Statista 2015), Facebook's activity accommodates a system-level demand for online social networking.

This mediating standard supplies Facebook with key leverage: not only does it provide a free-of-charge network platform, it also offers external stakeholders access to and information about its users. The social network offers counterparts and modes (application features) for self-staging and interaction, therefore decreasing the tyranny of small decisions and increasing public welfare. Meanwhile, the network itself provides Facebook with its Unique-Selling-Proposition: namely, the small-world network structure allows for an efficient way to spread information, therefore accommodating access to other users through strong and weak ties, an attractive way to disseminate and perpetuate content (Buchanan 2003). Facebook further facilitates targeted access to users through user data that allows for personalized advertising content. Consequently, Facebook seems to altruistically provide a costless social network to its users, increasing social capital and therefore public welfare, all while the company gains from ‘selling’ access to this network to advertisers and other stakeholders.

**Expansion**

As the leading innovator for social online networking, Facebook has revolutionized embedded social interaction by transferring social capital into the digital sphere. As social media networking creates a time-space compression of human contact by allowing for increased and more convenient access to users that are distant from one’s actual everyday social network, the system of social interaction becomes wider. Facebook also allows for new forms of self-presentation and interaction whereby social networking has increased specialization and therefore systemic deepness. The increase in access and access modes facilitates social cooperation in a way that expands the volume and density of the social network system (Grewal 2008, 26). For the purpose of this paper, two cases have been chosen to represent the company’s expansion strategies.

**Internet.org**

The Facebook project Internet.org serves as a two-tier hegemonic power strategy for the company, supporting its narrative while at the same time expanding its power through systemic reorganization. The Internet.org project aims to bring affordable Internet access to less developed countries in an effort to “connect everybody in the world” (Hern 2015). However, Internet.org will only link users to a walled-garden version of the Internet. Users can access, for free, selected services such as Facebook, Wikipedia, weather, job listings and government info, yet they cannot access the open Web through the service.

Facebook-access via the Internet.org potentially allows for a systemic reorganization of social capital in the developing world, bypassing hurdles to increase the connection of developing world
to developed world. In this role, Facebook functions as a benevolent, selfless provider of the Internet as a welfare-increasing public good, facilitating social and market development. However, Internet.org also serves Facebook itself. According to Serena Olsaretti’s concept of freedom of choice, although the choice to join is not imposed, the choice is also not free in that it lacks voluntariness—it is made only “because there is no acceptable alternative to it” (2009, 138), which creates lock-in. Furthermore, Internet.org attracts new users for Facebook, establishing it as universal standard in the developing world and increasing the company’s network power.

**The $45 Billion Donation**

As a provider for social network services, a broker for user data, and a space for advertisement, Facebook emulates real-world goods and services in the digital sphere. Similar to traditional channels such as magazines, the system faces increasing competition as it grows. In order to perpetuate and expand the competitiveness of its Unique-Selling-Proposition, Facebook must invest in its narrative, proving its social network with increasing efficiency.5

In December 2015, Mark Zuckerberg and his wife Priscilla Chan announced that they would donate 99 percent of their shares—representing roughly $45 billion at Facebook’s current valuation—to the cause of human advancement. The money will go to the Chan Zuckerberg Initiative, which will “pursue its mission by funding non-profit organizations, making private investments and participating in policy debates, in each case with the goal of generating positive impact in areas of great need” (Brandom 2015). This act expands the Facebook narrative beyond the mere provision of social networking as a public good to the significantly broader mission of providing welfare-increasing goods and services across the globe, a shift with significant strategic potential. The Chan Zuckerberg Initiative is a limited liability company, allowing the company to engage in both large-scale investments and lobbying, potentially to the advantage of Facebook itself. Furthermore, the donation is made in stocks as opposed to cash, which allows Facebook to save more than $300 million in corporate taxes per $1 billion donated (Olstein 2015).

**Hegemonic Crisis**

Facebook’s business activities as a provider for social networking services exhibit the three characteristics of hegemonic crisis: 1) the emergence of new loci of power resulting in inter-hegemonic power struggles, 2) social conflicts and system-wide financial expansion that follow from an over accumulation of capital, and 3) competition (Arrighi and Silver 1999, 30).

Among the hundreds of social media sites on the Internet, those that compete directly with Facebook include Instagram (100 million active users),6 Snapchat (120 million users), and LinkedIn (400 million users), as well as the mobile instant messaging app, Whatsapp (900 million active users). Each exhibits more specialized features than Facebook, therefore qualifying as a potential hegemonic successor that could accumulate an even greater concentration of capabilities and drive a reorganization of the system. For instance, Instagram, a photo

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5 Whereas the stage of hegemonic crisis examines inter-hegemonic power struggles with concrete competitors, the stage of expansion addresses a general engagement for more competiveness along the framework of the hegemonic narrative.

6 User numbers according to Statista 2015.
sharing app, is more private and visual than Facebook. Snapchat accommodates more selective social interactions in real-time. LinkedIn specializes in professional social capital. Whatsapp focuses on instant messaging on mobile end devices. Facebook has more than acknowledged the competitive threats, purchasing Instagram in 2012 and Whatsapp in 2014 to extend and diversify its network power. With the social network acquisitions, Facebook has further converged toward the “threshold of inevitability” (Grewal 2008, 40).

Financial expansion through the accumulation of market capital and an increase in the competition for social capital are additional indicators of hegemonic crisis. Notably, financial expansion is also characterized by a decrease in investments for the provision of welfare. Facebook’s initial public offering in 2012 clearly indicates an increased accumulation of company capital in financial markets. Historically, this stage of financial expansion and resulting over-liquidity announces the maturity of a hegemonic system (see 2.3, above). An increase in inter-hegemonic competition for mobile capital is indicated by Facebook’s acquisition of Instagram and Whatsapp, competing for social capital in the form of access to users. Furthermore, the quantity and size of paid content is permanently increasing, as is Facebook’s advertisement revenue which indicates correlative competition for mobile capital (Hof 2015). Facebook continues to provide the public good that is the social network, however, increased advertising, paid content, and professionally managed, representative accounts of companies, organizations, and individuals has altered the interface appearance and functionality as well as the network properties, potentially imposing transaction costs7 on the accumulation of social capital. It is possible that an increase in sponsored content caters to a customer demand for advertising content. However, this paper will assume an increase in costs for users from an increase in paid content, as prior research results suggest this connection vehemently (Hinrichs and Lippert 2001).

Indeed, increasing social conflicts regarding Facebook seem to confirm the less efficient allocation of public goods through the social network as was part of the hegemonic narrative. Main public concerns can be grouped into distributional and identity related issues (Grewal 2008, 142). Distributional concerns come from the unjust imposition of costs and benefits on different parties: Facebook is publicly criticized because of the increasing quantity of advertising, paid content, and professional accounts8 that are facilitated by a trade of user data and information. Not only does this change the appearance of the interface, altering the network properties of Facebook by introducing non-private users, it also manifests privacy concerns regarding data trade and security. The increase in non-user generated content indicates a polarization of social network costs and benefits. While users are confronted with increasing (transaction) costs due to sponsored content, Facebook and advertisers claim the benefits. The allocation of the public good decreases in efficiency as benefits and costs are split unevenly and the functionality of the network is restricted (Stiftung Warentest 2015).

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7 In economics, a transaction cost is one incurred in making an economic exchange or due to participating in a market. Here it means that functions of social capital sharing and exchange could be restricted or made less convenient due to an abundance of advertising content (e.g., Facebook interface becomes confusing due to the high extent of advertising content).

8 Professional accounts for companies, organizations and individuals are liable to pay as they represent a form of advertisement.
Facebook increasingly motivates identity concerns as well, which originate in the way that the rise of a standard to universality affects the cultural identities people value. While identity concerns exist in the context of exclusion from social networking on Facebook or online in general, concerns regarding the migration of social capital into the virtual sphere are more prevalent. Furthermore, Facebook is criticized for creating lock-in effects through an alleged lack of alternative social media platforms.

**Hegemonic Breakdown**

Facebook functions as an uncontested hegemon within its domain of power, though its continued domination is not guaranteed. A breakdown of Facebook as a network could come about by any of three key mechanisms: the loss of members, stagnating network growth as compared to competitors, or the installation of another standard as a dominant force.

We can understand the theoretical systematic stability of a network, such as Facebook, based on three network properties: compatibility, availability and malleability (Grewal 2008, 172). The network is compatible inasmuch as it is a standard that allows for other competing standards without imposing costs on users. Hence, the opportunity costs of being a Facebook member are low while the costs of switching to another standard are moderate due to the threat of losing access to others ("indirect force;" Grewal 2008), but this cost is cushioned by possible alternate access through other standards like LinkedIn. Facebook is also highly available, as it accepts anyone who would like to join the social network and is over the age of 13, though country regulations apply. Leaving the network is equally available and can be done with the push of a few buttons, therefore accommodating the risk of losing users easily. Finally, Facebook exhibits a moderate amount of malleability, which means that it can incorporate aspects of other standards that are useful to itself without losing coherence. Facebook establishes new features (e.g., video-chatting, emojis, mobile-based messenger) insofar as they are in accordance with its key business proposition as a social connection-builder.

According to Grewal, Facebook exhibits the optimal properties for a strong network with an already sizeable membership, as adopting Facebook is low in costs and effort, yet governs access to a predictable standard. Moreover, as Facebook exhibits limited lock-in effects due to moderate switching costs—making it prone to network-switching and sign-offs—the technical risk for a hegemonic decline is slight. Despite this, Facebook has not passed the threshold of inevitability; other hegemonic competitors still pose a threat especially as they grow in network power.

**Outlook – Inter-hegemonic democratization versus intra-hegemonic dominance**

The theoretical, case-based evaluation of Facebook has clearly distinguished the company as a hegemonic powerhouse of the Web 2.0. The Internet has facilitated this emergence of a new genus of hegemony based on social capital. In examining Facebook's acquisition and structure of power, the theory of case transitions has proven an applicable guideline.

However, the theoretical approach chosen for this paper certainly has its limits: While the theory of transitions provides a broad

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9 The loss of other alternatives when one alternative is chosen.
overview of Facebook as a hegemon, the insights from this evaluation are yet prone to oversights and errors. A more in-depth evaluation of the individual hegemonic characteristics and phases can consolidate this gap in research. As a starting point for future research, an analysis of Facebook’s social network is suggested.

While hegemonic theory suggests that Facebook and its successors will function as change agents for the status quo of the social media fitness landscape by facilitating systemic reorganization and an expansion of capabilities, the emergence of the Web 2.0 itself has functioned as a driver for change as well. The Web 2.0 has transformed the entire fitness landscape of power struggles by restructuring prevalent hegemonic systems and introducing new players. Moreover, while past hegemonies based on the power of nation states held an encompassing sovereignty, the rise of markets and social networks as loci of power was accompanied by a time-space compression that has broadened the catalogue of loci of power and their fields of influence. Rather than a single potent locus of global power, today’s hegemonies are smaller in scale yet more specialized in their influence.

Globalization and digitization are at the root of this development, introducing new stakeholders and modes of exchange. As it has never been so easy to unite people with common interests, a diverse fitness landscape of distinguishable specialized hegemonies holding influence in their respective domains has developed. While this suggests the need for an inter-locus democratization of the broader system as the different hegemonies align and negotiate their interests, intra-locus dominance seems to remain at the center a hegemon’s success. As Paul Mason from the Guardian put it, “[for leaders on the Internet] anything except total market domination is a disaster” (2015).
References


Online Resources


