

FRAN ILICH

Fran Ilich is a Mexican author and artist. He is in New York as we talk about Indian princesses and bunnies eating precious Zapatista corn - which all somehow relates to his Spacebank project that he founded as an alternative form of investment bank. Also his Brooklyn Stock Exchange, the Sabotage Hedge Fund, as well as a digital currency that he created show that another kind of banking is possible, and how they can empower social relationships among virtual and physical communities.

In 2005, a couple of people I know through the internet and in person, by some kind of strange coincidence, they decided that they want to move to an island and start a civilization. They didn't know each other, so there were different reasons.

One of them wanted to inhabit a new land and populate it and create a very utopian civilization from the beginning. He wanted to look for this island somewhere in the Caribbean. He asked me if I could assemble a team of people to travel there, and I was able to find a young person who was able to pilot a boat and who was part of the Marine Merchant of Mexico.

On the other side, there was this other person, a Mexican, married to a princess from India. He's an artist and was running for president in a kind of conceptual way. And he said, it would be great if we could buy an island to declare independence and a revolution. And I thought, I have to assemble these different teams into one. The conceptual artist found an island on the internet that cost \$20.000,00 and he told me, if we can get only 20 people that can give \$1000,00, then we can buy this island and declare revolution. The next day it sounded like a very bad idea to me, because how can you declare revolution in a country that is not yours? And why would you want to lose \$20.000,00 just for the sake of art? It sounded to me too much like the general economy of Bataille.

So I started working with them, mediating like a broker or something. Because I think of things like this, even though it sounds too crazy or too opposing, the two initiatives, they can lead to something. I thought, ok, we're definitely not going to move to an island, but if we're able to open a coffee shop, that to me is like an island. So I started doing this and of course, the both parties got into serious disagreements. I was able to start a server, because of the momentum that I was able to generate. And this "net-island", or server, was born in a very singular moment, where the Zapatista was calling the citizens of Mexico to join them in a campaign. So I started this server in a moment very motivated by what they were doing. There are of course many differences between cyberspace and physical space, but some ideas can translate.

I guess I kind of did it ok, because eventually the Zapatista army moved the website to the server that I was running. One of the ideas that was different from other autonomous servers, cause the server that I was running was autonomous too, is that it was cooperative and that it had a bank behind it. I called it a central bank back then, but it wasn't really a central bank. Now I can say that because now I'm doing a central bank. So this bank was basically in charge of seeing the credits and debits that were entering into the Possible Worlds server system. This created an economy that very soon was generating \$500 a month that could be used to generate open content. Because of all the activity that was going on around Possible Worlds, which was the political body and Spacebank, the economical body, and of course there were a lot of people creating work, and a lot of people consuming this work.

In 2008 I started offering bonds for infrastructures. We wanted to buy a server to start a radio stream then. It was much cheaper to sell bonds to the audience or investors and offer some kind of return with the payment of the debt, than to buy the server with the credit card. I think, I launched the first bond in Santiago de Chile and like an hour later it had been sold completely, which meant that probably \$3500 had been raised, or something like really big. So I could see another kind of banking could happen.

By the end of the year 2008, I was invited to present some of these projects that were being done to a Zapatista festival in Mexico City and Chiapas, and to be on the panel with subcommandante Marcos to talk about another communication, another media, and another culture in Chiapas. I think on December 1st 2008 I decided to open a media conglomerate, and started financializing all of the different projects, like the server, a fiction department and a radio station, in order to be able to sell shares. So during 2009, more investment tools were released on Spacebank and I worked a lot to gain more credibility around customers and so on and so on, so that by 2010 I was able to launch a stock exchange to trade financial tools of different research groups or virtual enterprises. And I was able to start offering virtual jobs that pay really bad but generate a lot of work. Spacebank in that way became like a centralized economy where everyone is putting a lot of labor, that is going to help the community at large or the virtual community at large around Possible Worlds, but not exactly to empower individuals.

So all the money is always being reinvested in a way that we could call it “artificial insolvency”, because there is really never any money, because everything is always invested, although a lot of money has been generated.