Munro I, Thanem T.  
*Deleuze and the Deterritorialization of Strategy.*  
*Critical Perspectives in Accounting* 2017,  
[https://doi.org/10.1016/j.cpa.2017.03.012](https://doi.org/10.1016/j.cpa.2017.03.012)

Copyright:

© 2017. This manuscript version is made available under the [CC-BY-NC-ND 4.0 license](https://creativecommons.org/licenses/by-nc-nd/4.0/)

DOI link to article:

[https://doi.org/10.1016/j.cpa.2017.03.012](https://doi.org/10.1016/j.cpa.2017.03.012)

Date deposited:

02/05/2017

Embargo release date:

29 October 2018

This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International licence](https://creativecommons.org/licenses/by-nc-nd/4.0/)
Deleuze and the Deterritorialization of Strategy

Iain Munro, Newcastle University

Torkild Thanem, Stockholm University

The final version of this paper is forthcoming in *Critical Perspectives on Accounting*, special issue on ‘Strategy and Social Theory’, edited by Chris Carter and Andrea Whittle (dx.doi.org/10.1016/j.cpa.2017.03.012).

Abstract

Mainstream ideas of strategy are aimed at gaining and maintaining power. In contrast, the work of Deleuze and Guattari is directed against the concentration of corporate and state power and capitalist forms of exploitation. Their writings provide us with valuable concepts for understanding the workings of strategy and exploring creative ways through which strategy can be re-evaluated and subverted. This paper develops three of Deleuze and Guattari’s main concepts for understanding the strategic movements within contemporary capitalism: i) nomadic strategy, ii) deterritorialization, and iii) the occupation of smooth space. It then uses these concepts to explain the rise of new strategies in the domains of the news media, the music industry and the Occupy movement, which attempt to subvert corporate forms of exploitation. This radically challenges existing processual notions of strategy that have an underlying conservative bias, as well as other popular conceptions of strategy like Porter’s management of “barriers to entry”.

Keywords: Strategy, power, resistance, Deleuze, Guattari, deterritorialization, smooth space, nomadism.
Gilles Deleuze (1925-1995) was neither a social theorist nor a strategist, but a philosopher. As such, he was deeply concerned with the role of philosophy as a matter of concept creation, genuinely committed to process ontology, and unusually creative in re-reading the history of philosophy. In fact, it is his joint work with the radical psychiatrist Felix Guattari (1930-1992) that speaks most directly to issues of strategy, organization and business, though this is not always acknowledged in the secondary literature. It is here in particular, with Guattari, which Deleuze developed his understanding of the social and the political, of the inherent madness of capitalism, of the bureaucratic strategies that are mobilized to stabilize capitalism and the nomadic tactics that destabilize it. Not that either of them had much time for social theory or strategy as such. Social theory was perhaps too bound up within the dominant social order. And strategy? It is unlikely that they would have known it as an academic field. This is a pity, because the curiosity and inventiveness of the outsider sometimes exceed that of the disciplined insider, and we have struggled to find examples within social theory and strategy proper that go as far as Deleuze and Guattari in rethinking the nature and workings of strategy within and beyond the capitalist political economy.

In the preface to Deleuze and Guattari’s first book together, Michel Foucault summarizes one of their key principles as ‘Do not become enamored of power’ (Foucault in Deleuze and Guattari, 1984: xvi). Foucault observed that the strategic adversary of their work was fascism, and that within us which causes us to love power. From this point of view, mainstream ideas of military and business strategy are far from their position, because such ideas are aimed precisely at gaining and maintaining power. Deleuze and Guattari’s writings are specifically directed against capitalism and
capitalist forms of exploitation. As such, business strategists may learn little from this work. Nevertheless, their writings provide us with valuable concepts for understanding the workings of strategy and exploring creative ways through which strategy can be re-evaluated and resisted. In Deleuze and Guattari’s first collaborative project, *Anti-Oedipus* (1984), they develop a method of schizoanalysis to examine the contradictory tendencies of capitalism, arguing that modern capitalism is haunted by schizophrenic flows of desire which, pushed to the limit, will overcome capitalism’s attempt to exploit and contain them:

*Capitalism [...] liberates the flows of desire, but under the social conditions that define its limit and the possibility of its own dissolution, so that it is constantly opposing with all its exasperated strength the movement that drives it toward this limit.* (Deleuze and Guattari, 1984: 139-140)

In their third book together, *A Thousand Plateaus* (1988), they propose that the tactics of nomadism may be employed to attack capitalist and State power. Both schizoanalysis and nomadism operate along a vector of ‘deterritorialization’, where desire and matter spread beyond the boundaries of property, where identities and bodies are pushed towards absolute destratification, and where radically new forms of social life may be created on a ‘new earth’. These deterritorializing processes can challenge existing social codes and boundaries as in the example of the Occupy Movement’s occupation of important capitalist spaces such as Wall Street, and in the creation of non-monetatized forms of production, consumption and communication, such as practices of house squatting, home-growing and the development of the creative commons (Lessig, 2002; Thanem, 2012). Indeed, Deleuze and Guattari (1988, 1994) explained
that the creation of a ‘new earth’ entails processes of revolutionary becoming and deterritorialization, and later interpreters of their work have argued that the ‘common’ is a deterritorialized earth, which is the foundation of both social and ecological production (Hardt and Negri, 2009). This works in opposition to a vector of ‘reterritorialization’, which seeks to harness, capture and capitalize on the productive forces of desire. Deleuze and Guattari’s work can thus be understood as a strategic response to contemporary capitalism, as it outlines an array of concepts, tools and practices to critique strategy, combat capitalism and develop alternative forms of life.

That said, we are not suggesting that working with Deleuze and Guattari is a straightforward process of simple rendition and application. There is an abundance of neologisms and aphorisms in their writings and it is easy to get lost in their labyrinthine style and overlapping concepts, simply parroting their jargon of ‘rhizomes’, ‘nomadic war machines’ and ‘bodies without organs’. One should therefore take care not to be seduced by these difficult concepts as if it were a secret processualist code of which the initiate may become a priestly guardian. In contrast to previous applications of Deleuze’s work in the strategy literature, we will develop three of Deleuze and Guattari’s main concepts for understanding the strategic movements within contemporary capitalism: i) nomadic strategy, ii) deterritorialization, and iii) the occupation of smooth space. We then develop three case studies that show the strategic significance of nomadism, deterritorialization and smooth spaces in the media industry, the music industry, and the Occupy movement. This radically challenges the processual yet apolitical notions of strategy that have gained popularity over the past couple of decades as well as Porter’s long dominant misconception that strategic advantage can only be achieved by maintaining barriers to entry, and his neglect of the peculiar
properties of the informational commons. Before engaging in more depth with Deleuze and Guattari’s heterodox notion of strategy and how the tendencies they describe play out in contemporary forms of organization, production and distribution, we will interrogate the literature that has utilized Deleuze and Guattari’s work to rethink strategy.

**A depoliticized misreading of DeleuzoGuattarian strategy**

The most influential contributions to this literature in management and organization studies tend to serve up a rather bland version of Deleuzian and DeleuzoGuattarian thought. Chia’s (1999) widely referenced argument for a processual and ‘rhizomic [sic] model’ of organizational change and transformation is a typical example. The core of Chia’s argument is that a Deleuzian process ontology of ‘rhizomic’ becoming alters the premises for strategic management and organizational change. According to Chia (1999: 222), the rhizome “depict[s] the essentially heterogeneous and indeterminate character of reality. One of its central operating principles is that unlike the root-tree which plots a point and fixes an order, spreading outwards predictably according to a binary logic […], the rhizome connects any point to any other in an essentially heterogeneous collective assemblage of occurrences […].”

This does well in bringing out the main points of Deleuze’s processual ontology, and in criticizing mainstream perspectives on strategic management for putting too much emphasis on the frames, hierarchies and structures that managers utilize in order to fix reality and manage change. As Chia (1999: 211) argues, mainstream perspectives
prevent us from “understanding the inherently creative nature of change processes occurring in organizational renewal and transformation”. However, Chia glosses over the radical political agenda that underpins Deleuze and Guattari’s processual conception of capitalism, and he ignores their critique of the ‘capitalist axiomatic’ which continually invents new strategies for extracting surplus value from the deterritorialized flows of labour, energy and commodities. This leads him to make a dubious leap from processual ontology to normative political economy. Specifically, Chia claims that the ‘rhizomic [sic] model’ of organizing implies a “‘hands-off’ attitude towards change” (1999: 225), which “eschews the control-oriented strategies preferred in conventional approaches to managing change” (1999: 211).

Although Chia mentions that ‘rhizomic’ change is “multiple, unending, […] unexpectedly other” and instigated from “marginal locations” (1999: 225), he neither specifies which ‘others’ and which ‘marginal locations’ may be involved, nor does he discuss how the power and powerlessness of marginalized groups in organizations and society may affect such processes in subverting and radically changing organizational structures. Rather, Chia’s hands-off approach to organizational change comes out as a depoliticized gesture towards laissez faire liberalism, where the processual emergence of order and organization becomes a quasi-natural phenomenon in much the same way as liberal economics portrays the market. In Chia’s account of the rhizome, rather than developing a critique of capitalism, Deleuze is turned on his head where ‘the marginal’ is presented as little more than a resource to be co-opted, harnessed and exploited for purposes of organizational creativity, change and renewal. His affection for free market liberalism is made more explicit in his later work on ‘strategy without design’, where the free market is described in admiring terms, as a quasi-natural spontaneous order:
“It is almost a Platonic form of what we mean by an economy of material force; its affects are peerless. Efficiency, and the liberty and flourishing it brings, are manifest not in what is designed, or hoped for, but in what simply exists and exists well.” (Chia and Holt, 2009: 34).

This is a common theme in the literature in management and organization studies that draws on Deleuze, where similar pro-market arguments have been pursued in efforts to rethink creativity, entrepreneurship and strategic management. For instance, Styhre (2002) claims that Deleuze and Guattari’s (1988) notion of ‘smooth space’ may assist students of strategic management to think in more open-ended ways beyond fixed categories, and to better understand e-business and virtual organizations. Styhre and Sundgren (2003: 431) also invoke a ‘rhizome model’ to understand creativity in the biotech industry, and aping the style of a corporate advertisement they conclude that creativity is about “making connections possible”. In a similar vein, Hjorth (2007) draws on Deleuze’s concept of ‘the event’ to depict occasions of entrepreneurship that disrupt dominant corporate strategies. The entrepreneurial opportunity creation that is idealized in this paper is itself embedded in and driven by a logic of commercial enterprise, invoked as a creative and properly capitalist solution to problems caused by overly stratified forms of strategic organization. These domesticated versions of Deleuzian theory are shorn of its original radical intent, perhaps in an attempt to appeal to a business school audience by creating a new managerial jargon with a veneer of philosophical sophistication.

Even research that has claimed to address Deleuze’s analysis of capitalism ignores his radical critique of this system. In the entry for Deleuze in the Oxford Handbook of
Process Philosophy and Organization Studies authors such as Chia and Styhre are described as being concerned with ontological questions of organization and celebrated for having grasped the true nature of the process of change (Kristensen et al., 2014). Meanwhile, the section that is explicitly devoted to understanding capitalism in Deleuzian terms does not have a single mention of Marx or the centrality of Marx’s work to Deleuze’s own conception of capitalism. The political forces that are implicated in forms of late capitalist exploitation are explained away as aspects of the ‘flux of becoming’ rather than as new forms of the capitalist axiomatic where exploitation has become so interwoven into the social fabric that all labour has become surplus labour (Deleuze and Guattari, 1988). In an almost parodic reading of Deleuze’s work, the ontology of ‘becoming’ replaces any analysis of political economy on the grounds that it better understands the “pervasive nature of change within the field of organization and management studies” (Kristensen et al., 2014: 507). In all these texts Deleuze and Guattari’s radical politics and their anti-capitalist theory of organization are conveniently overlooked and their concepts domesticated for the purpose of publication.

This appropriation of Deleuze’s work is a perfect example of how initially radical ideas and identities have been captured and exploited by the very forces that they set out to critique. Deleuze is presented as nothing more than a process philosopher interested in the question of ‘becoming’. His analysis of the organization of social life is conveniently passed over. But if we are to make more out of Deleuze, and if we are to see what he can do to strategy, we need to engage more seriously with the strategy that runs throughout his philosophy. In order to do so, it is worth bearing in mind that Deleuze (2004) himself criticized previous process philosophers from Heraclitus to
Hegel precisely because of their inattention to political economy and strategy, and he reinterpreted the Heraclitean aphorism that “all things become fire” in explicitly strategic terms as a proliferation of ‘local fires’ resisting US imperialism.

Meanwhile, we should acknowledge that there are politically sensitive approaches to Deleuze and Guattari’s ideas in organization studies, which have engaged with their battery of concepts to explore micro-political resistance strategies in light of the omnipresent yet fundamentally precarious nature of social order and organization. For example, Wood and Brown (2010) have shown how solo rock climbing, despite elements of narcissistic self-indulgence, may constitute a line of flight away from the subjugated life forms and mass consumption regime of contemporary modernity, by involving people in a wild state of intensely lived experiences. Similarly, Thanem (2004) has discussed how transgendering might involve creating a body without organs, which upsets the dominant sexual-social order. In rather different veins, Sørensen (2005) has gestured towards the power of eccentricity to subvert fascist mass psychosis, and Kaulingfreks and Warren (2010) have explored the sudden nomadic movements of swarming flash mobs in public space and their potential to resist government despotism.

We now turn to Deleuze and Guattari’s own work and the strategic concepts they developed in their radical critique of contemporary capitalism. The groundwork for this was laid in Anti-Oedipus, where Deleuze and Guattari (1984) show how capitalism operates through the extensive deterritorialization of the world in corporate colonization and through the intensive reterritorialization of the self by reducing desire to consumption. In A Thousand Plateaus, Deleuze and Guattari (1988) continue the analysis of how social relations are increasingly ‘subsumed’ under capital, but they also
show how sedentary forms of strategy and organization, such as the barriers of entry prescribed by Porter, are subverted by the rhizomatic movements of nomadic war machines operating in smooth space.

**Strategies of capture, control and machinic enslavement**

In *Anti-Oedipus*, Deleuze and Guattari argue that capitalism is defined by its deterritorializing lines of escape, and that it evolves by following these lines in the accumulation of capital. It is impossible to ignore the influence of Marx on their analysis. In *Capital*, Marx (1976) shows how the Industrial Revolution created a vast army of deterritorialized labourers ‘freed’ from the land they had previously worked and the landowners they had previously worked for, ‘free’ to sell their own labour power on the labour market. The invention of the joint stock company also allowed the deterritorialization of capital from the nation State in an extensive movement beyond existing territorial boundaries. Deleuze and Guattari emphasize that the capitalist axiomatic worked not only in terms of ‘freeing’ flows of abstract labour, but through the subjectification of the entire social field in the image of capital. In other words, capitalism develops a network of reterritorializing forces to moderate its forces of deterritorialization and to save itself from itself. While Marx termed these social transformations ‘wage slavery’ and the ‘subsumption’ of labour under capital, Deleuze and Guattari rename them ‘machinic enslavement’, which transforms labour capacity into labour power, audiences into consumers, and subjectivity itself into just another input in the system of exploitation and ‘value’ extraction.
The originality of Deleuze and Guattari’s analysis of capitalism lies in how they connect the capitalist political economy to the libidinal economy, that is, how they connect the matrix of labour, capital and State to the production of desire. They argue that capitalism’s drive to transform all social relations into forms of capital has a schizophrenic tendency to decode traditional forms of desire that are bound up with the religious, feudal and social codes that limit the degree to which desire can be exploited by capital. The problem for the capitalist and the capitalist State is that an absolute deterritorialization of desire will itself lead to capitalism’s collapse, as existing forms of property and ownership become a limit on capitalism’s growth into new social domains. Capitalism ‘constantly seeks to avoid reaching its limit, while simultaneously tending toward that limit’ (Deleuze and Guattari, 1984: 34). This can be seen in the ways that corporations and States have overcome the territorial limits of the nation state through imperial and post-imperial conquest, and in their colonization of human subjectivity as ‘human capital’ and as a profitable source of emotional and immaterial labour (Hardt and Negri, 2000; Hochschild, 1983; Maravelias et al., 2013). Capitalism attempts to mitigate the schizophrenic excesses of its exploitation of the earth and of human subjectivity through half-hearted corporate programmes of CSR, stress management, and the like.

This part of Deleuze and Guattari’s analysis builds on Marx’s (1976) study in Capital of the increasing socialization of labour and the capacities of the human subject more generally for exploitation. In the Grundrisse Marx (1973) had already explained that capitalism was expanding its reach beyond the ‘formal subsumption’ of labour through the employment contract, and into the social dimensions of production which he termed ‘the general intellect’ and ‘social brain’. This is all too clear in modern forms of
knowledge work and aesthetic labour, which make it difficult to distinguish between
the values that are produced by the objectified labour power of employees at work and
the values that are produced by the same people outside of work (Hardt and Negri,
2000, 2004). We agree with previous commentators (e.g. Choat, 2009; Jain, 2009;
Smith, 2011) that in Anti-Oedipus Deleuze and Guattari bring out the inherent
schizophrenia and instability of capitalism by dropping the molar constructs of
Marxism and inventing a number of molecular concepts that elucidate how the libidinal
economy of desire underpins and intersects with the political economy of capital.
Hence, they enable us to better understand the deterritorializing forces that push
capitalism to its internal limits and nearer to its collapse.

In order to capture, exploit and capitalize on the libidinal forces of human desire,
contemporary capitalism is developing as a ‘society of control’ underpinned by
continuous forms of free floating control, which pervade the social fabric and are not
restricted to particular sites of confinement. More specifically, capitalist firms and the
capitalist State involve every human on planet earth in a vast system of control that not
only includes invasive surveillance technologies, police agencies, the prison service
and the military but cuts across and involves pervasive media and marketing tools,
sophisticated performance measures, boundless debt schemes, educational institutions,
banks, advertising companies and aid agencies, health promoters and psychologists,
management consultants, artists and the so-called creative industries (see also Munro,
2000; Martinez, 2011). Together, these actors invest their desire for power in a vast
system of ‘antiproduction’ which registers and regulates the production and
transformation of desire and work into social skills, emotional intelligence and
entrepreneurial capacities to be captured as forms of human capital from which surplus
value may be extracted, consumed, reinvested, or paid out as a dividend. Although societies of control are not total, Deleuze (1995: 175) later commented that, “Compared with the approaching forms of ceaseless control in open sites, we may come to see the harshest confinement as part of a wonderful happy past.” Deleuze and Guattari provide powerful conceptual tools to understand contemporary forms of production, distribution and consumption that have come to characterize strategic practice under contemporary capitalism, and to understand the forces of resistance that may be mobilized to disrupt the power of capitalist strategists.

**Nomadic strategies on the smooth spaces of capitalism**

Deleuze and Guattari’s (1988) treatise on the nomadic war machine is where they provide the most explicit re-articulation of strategic and anti-strategic thinking and practice. The nomadic war machine is opposed to the state of war and the State itself. It is characterized by its power of metamorphosis, its speed, and its distinctive way of occupying space, as in the case of the non-battle of guerrilla warfare or the occupation of streets during revolutionary uprisings. Deleuze and Guattari explore the historical routes of the war machine in nomadism, and argue that the State has been parasitic on the creative powers of exterior nomadic, barbarian forces for the invention of weapons and tactics. However, they move beyond the nomadic cavalry hoards of Ghengis Khan, and invert the Clausewitzian formula by arguing that politics is war by other means and that peace is little more than a regulated and policed civil war.
In more general terms, the nomadic war machine has both spatial and affective characteristics, associated with its distinctive way of occupying a territory and its way of life. Nomadic war machines do not control a territory by dividing it, striating it and distributing themselves within it, but by the multiple affective ways in which they occupy it. Being capable of appearing anywhere upon it, they turn it into a ‘smooth space’. A smooth space is open and dynamic, both territorially and in terms of the habits and affects it affords. Smooth spaces are created by the way in which they are occupied. Whereas the steppe, the prairie and the ocean are typical examples of smooth space and the urban grid is a typical example of striated space, initially striated spaces may be enacted by nomadic war machines that move across them as if they were smooth spaces. Examples of the nomadic war machine are everywhere: in the non-linear movements of homeless people who subvert the plans of urban reconstruction schemes by continuing to use the public places that planners and politicians seek to exclude them from (Thanem, 2012); in the creative tactics that street artists use to appropriate public spaces for performance (Munro and Jordan, 2012); in natural disasters which overwhelm urban infrastructure and communications networks (Curtis, 2008); and in the informational attacks of peer-to-peer hacker networks seeking to set free the flow of information on the internet (Munro, 2010). There are good and evil war machines, and there are war machines that operate beyond good and evil.

The three key concepts that we employ in the ensuing analysis are i) nomadism, ii) deterritorialization, and iii) smooth space. As we have argued above, Deleuze and Guattari’s conception of strategy is closely linked to their novel conception of nomadism, its movement in smooth spaces, and its capacity to deterritorialize both itself and its adversaries. The significance of nomadism and smooth spaces as strategies for
resistance is ambivalent in Deleuze and Guattari’s work. Capitalism is itself identified as a deterritorializing force, extending itself over the surface of the earth, uprooting existing settlements and reshaping them in its own image. However, pushed to its limit, nomadism can become a strategy of resistance aiming at an ‘absolute deterritorialization’ that cannot be exploited by capitalism or captured by the capitalist State. The nomadic war machine, then, is the key trope that Deleuze and Guattari invoke in order to show how subversive groups can turn the striated spaces of capital into smooth space, deterritorialize desire beyond the limits of capital, and challenge the sedentary powers of the capitalist State and corporate organizations.

In contrast to previous research that has drawn upon Deleuze’s philosophy to understand issues of strategic management in modern organizations, our analysis will focus less on the language of change and its easy co-optation as a new managerial jargon. Instead, we highlight Deleuze and Guattari’s concern with developing new concepts for thinking about strategies of resistance to new forms of capitalist exploitation. To do so, we analyse three cases that show processes of deterritorialization, nomadism and the creation of smooth spaces: the media industry, the music industry, and the Occupy movement.

**Case 1: The strategic deterritorialization of the media**

Vectors of deterritorialization can be social, technological, conceptual, linguistic, and affective. In the news media, there has been a deterritorialization in both technological and social terms. This has been led by innovations from the periphery of existing
networks that have quickly transformed the way in which media is produced, distributed and received. The deterritorialization of the traditional media has been accomplished using new technological platforms and journalistic practices, including blogging and the posting of images, stories, videos and commentary on social media platforms such as YouTube, Twitter, Facebook and Wikipedia. Among the most influential early bloggers was ‘The Baghdad Blogger’ Salem Pax (http://salampax.wordpress.com/), the pseudonym of a resident of Baghdad who reported on the War in Iraq in a way that offered quite different insights from the propaganda being spewed by the ‘embedded journalists’ of the US forces. The information and commentary provided by this amateur source was taken up and broadcast by mainstream media channels, including the BBC and The Guardian, and professional journalists now commonly use blogs in their online commentary.

The social media has provided a vector of deterritorialization that has led to profound changes in the traditional news media. Following the explosion of free of charge news content online, there has been a significant reduction in the circulation of print media and an associated decline of advertising revenues. In the US alone newspaper advertising revenues have fallen from a high of $66 billion in the year 2000 to only $17 billion in 2013 (Slate, 2014), and several print-based newspapers have been forced into merger, forced to move from daily to weekly publication, or forced out of business. Nick Davies’ (2008) account of the recent transformations in the news media industry describes the effects of the internet as part of a general trend towards cost cutting, job cuts, the deskilling of journalism and the increase of poor quality ‘churnalism.’ Davies (2008: 62) writes that “[…] the Internet began to push readers and advertisers out of the traditional mass media replacing widespread profit with heavy loss […] By 2006,
the advertising giant WPP was forecasting that advertising on the Internet was about to surpass that in national newspapers.” This trend continues, forcing newspapers and television channels to increasingly rely on amateur sources and social media for news generation whilst exploiting online platforms for news distribution. At the time of writing this paper, The New York Times announced that they were to ‘eliminate 100 jobs in the newsroom’ (New York Times, 2014).

Numerous commentators have remarked upon the emergence of a ‘networked fourth estate’ (Benkler, 2011) and an increase in forms of hybrid journalism which combines amateur and professional networks in the production and distribution of news (Brevini et al., 2013; Castells, 2012; Mason, 2011). These forms of journalism reveal several vectors of deterritorialization: (i) the mobility and decentralization of media networks; (ii) the rise of networks outside of state jurisdiction that subvert state censorship; (iii) the expansion of interactive, real-time, many-to-many platforms, such as Twitter and Facebook; (iv) the rise of citizen journalism, commentary and participation on newspaper websites; and (v) the use of amateur sources of information, including film, photography, interviews and editorial commentary.

WikiLeaks is perhaps the single most important example of citizen journalism today, and numerous commentators have noted that it has published a host of stories of vital public interest when the traditional media outlets failed (Amnesty International, 2011; Benkler, 2011; Castells, 2012; Munro, 2017). WikiLeaks has reported on a vast range of events, and won prestigious awards from The Economist and Amnesty International among others for its combined role as media organization and activist movement. Their stories have revealed important information on corporate, political and military
corruption, including the Trafigura pollution scandal, political corruption in the Iceland Banking crisis, the role of offshore havens in systemic tax fraud in Switzerland and the Cayman Islands, corruption in the financial institutions HSBC and Barclays, political corruption in Kenya, Tunisia and the USA, the failure of the US invasions of Afghanistan and Iraq, and apparent war crimes by US troops in these two countries.

However, WikiLeaks is not only a whistleblowing platform. It has also labelled itself an intelligence agency of the people and a ‘publisher of the last resort’. Indeed, WikiLeaks has demonstrated the crucial importance of citizen activism in the ‘networked fourth estate’ (Benkler, 2011), where the traditional media appears to have itself been captured by the sources of corruption that it is supposed to expose. Meanwhile, WikiLeaks has had high-profile but uneasy relationships with members of the traditional media, including The Guardian, the New York Times, El Pais, and Der Spiegel. Though mutually valuable, these alliances have tended to be short lived, and the New York Times and The Guardian have since refused WikiLeaks the right to use their logos on WikiLeaks webpages. However, even though WikiLeaks provides the traditional media industry with unique, frame-shifting content, they are not reliant on the industry’s distribution channels to break the news.

The successes of the WikiLeaks’ strategy have resulted in part from their creation of a ‘smooth space’ by means of which information can flow in a relatively uncontrolled manner. This website attempted to subvert censorship by the State through dissemination ‘leaks’ of official secrets throughout the web and by the creation of hundreds of ‘mirror’ sites by sympathetic followers. The role of this new smooth media space was an important element in the spread and coordination of the rebellions of the
Arab Spring and the Occupy movement (Castells, 2012; Mason, 2011). It is a hybrid of online activism and physical occupation of smooth space, which is fostered by spreading leaked stories in a viral manner throughout the social media with extreme rapidity. WikiLeaks, then, can be understood as a ‘nomadic war machine’ to the extent that it creates its own smooth spaces which cut across the State form and the territorial boundaries set by the international State system, and generates news in ways that subvert the organization of production and distribution within which the traditional media corporations remain sedated. It has increasingly deterritorialized the production and distribution of news, pushing the traditional media industry to the limit of its own capabilities.

Case 2: The strategic deterritorialization of the music industry

Over the past 15 years one can observe comparable vectors of deterritorialization in the music industry. The rise of commonly used file sharing technology and new open platforms for music piracy has (i) decentralized the production and distribution of music, (ii) spurred the creation of hybrid organizational forms to exploit these new technologies, (iii) blurred the boundaries of amateur and professional labour, and (iv) made the production and distribution of music cheaper and readily available to musicians and their listeners.

Music is a key example used by Deleuze and Guattari (1988) to elaborate the concept of deterritorialization. In their account, music operates through a deterritorialization of the voice and the refrain, whereby sound is spread from songwriters and composers
across entire populations of singers, musicians and listeners. This is taken towards its limit in electronic music (which, incidentally, had a keen listener in Deleuze). By using programmable electronic devices such as digital synthesizers and computers and employing techniques such as sampling and circuit bending, random and spontaneous sound effects are generated without determination by traditional media such as compositional notation, voice, drums and electric guitars, but autopoietically in ways that decentralize the role of individual composers and performers.

However, the deterritorialization of the music industry concerns all music genres. Although digitalization does not affect all forms of music creation, it has come to pervade how music is recorded, distributed and consumed regardless of genre. File compression technology and the MP3 player have played a crucial role in the material and spatial deterritorialization of music by enabling its digital distribution. Commenting on this development, the composer and musician David Byrne notes that the dematerialization of music’s production and distribution technologies has created new hybrids with more traditional distribution platforms such as the concert. But more importantly, “Technology has altered the way that music sounds, how it is composed, and how we experience it [...] Music is becoming dematerialized, a state that is more truthful to its nature.” (Byrne, 2012: 143).

Piracy has been a major force in decentralizing and accelerating the spread of music. The key event in this transformation was when the music sharing service Napster first went online in July of 1999. Napster created a central database that enabled music enthusiasts to browse each others’ MP3 files and to share and communicate by text in real time as they were doing so. This caused tremors throughout the music industry,
and prompted a severe legal response by the Recording Industry Association of America to shut down this new model of music distribution. Napster polarized artists: whereas some regarded it as a great new marketing tool to reach new audiences, others argued that it facilitated the theft of their intellectual property. The business model was based upon advertising revenues of companies who paid to place promotional material on the central webpage, a mode that was to be quickly duplicated by subsequent file sharing websites such as Pirate Bay and Megaupload. Within the first year Napster had gained over 25 million users. By July 2001 Napster had to close its operations as a result of a court injunction from the US recording industry since it was apparent that Napster’s users were sharing copyrighted material without paying royalties to the copyright owner.

After their success against Napster the recording industry has pursued a host of other file sharing networks. This has been followed by increasingly restrictive legislation regulating the use of communication technology and the movement of intellectual property, including the 2011 Anti-Counterfeiting Trade Agreement (ACTA). A commentary on these events by the Electronic Frontier Foundation (2008: 2) remarked on the rapidity with which new kinds of networks were created in response to the apparent weaknesses of the earlier networks that came to light with each new counter attack from industry: “After Napster was shut down, new networks quickly appeared. Napster was replaced by Aimster and AudioGalaxy, which were supplanted in turn by LimeWire, Morpheus and Kazaa, which were then partially supplanted by eDonkey and BitTorrent.” Each new development has created a more diffuse network bringing to bear a greater power of deterritorialization than the last.
Again, we can see how peer-to-peer networks have attempted to create their own smooth spaces for the flow of information. They have only been partially successful in so doing, since many of these networks still relied upon centralized servers as a key part of their infrastructure. Napster still relied upon a central database that contained the IP addresses of all its users and so only mimicked a genuine peer-to-peer, distributed network. Many subsequent innovations have attempted to overcome this problem by two key tactics: (i) the development of genuine peer-to-peer software where no central database exists (as in the case of Gnutella and Morpheus), which makes it difficult for the law to control its distribution and use; and (ii) situating the website on an internet service provider in a territory that is not subject to rigid IP legal regulation, and where US corporations are unlikely to have much political influence. The Napster case began an on-going war over intellectual property between the big oligopolistic retailers, the music consumers, the ‘pirate’ distributors, and the artists. The artists themselves remain divided. Whereas some believe their main enemy are the pirates who illegally copy and pass on songs via peer-to-peer networks, others see their prime enemy in the big businesses that take the vast bulk of the profits resulting from sales and merchandising. Interestingly, the latter camp counts many high-profile artists who have spoken out for unrestricted music distribution, including Radiohead, Neil Young, Lady Gaga, Jack White and David Grohl.

Over the past 15 years the structural changes of the music industry have been substantial, and its oligopolistic corporations are in significant decline. In the US alone, revenues from the sale of music declined from $19 billion in 1999 to $3 billion in 2013. David Byrne (2012) has summarized these changes as follows: (i) recording costs are approaching zero; (ii) manufacturing and distribution costs are approaching zero; (iii)
artists no longer get big advances; and (iv) performing is now viewed as a source of income. Byrne details the rise of a host of new distribution models that have moved away from the oligopoly, particularly the fact that more organizational work is done by the artists themselves in self-distributing and self-promoting their music via live events and social media such as MySpace, Youtube and SoundCloud. Moreover, new companies such as Bandcamp, Topspin and CDBaby have emerged to support the DIY approach. Whilst big brands persist, these movements represent a massive transformation in the industry towards increasingly decentralized and dematerialized production and distribution, and greater autonomy for the artist (Byrne, 2012). The new peer-to-peer networks and MP3 technology have thus been a new vector of deterritorialization for music production and distribution, where many of the traditional media monoliths have attempted reign in such ‘information nomadism’ (Munro, 2010) through the law courts and others have responded by providing new services to support the newly decentralized means of production and distribution.

The deterritorialization of Porter’s barriers to entry

The deterritorializing flows that are transforming the media industry and the music industry constitute a radical challenge to the work of Michael Porter and its emphasis on regulating flows through ‘barriers to entry’. Porter’s (2001) classic account of ‘Strategy and the Internet’ in the Harvard Business Review repeatedly emphasizes that the fundamentals of business strategy have not changed, and claims that those who have argued otherwise are misguided. His main argument is that the use of the Internet has created greater efficiencies in the value chain due to competition. Porter mentions the
entrance of new retail businesses such as the auction site eBay and Amazon.com, but otherwise argues that not much has changed – for strategists, then, it is business as usual.

Speaking about the music industry a year after the launch of Napster, he had this to say about the effects of the Internet: “Even in the music industry, many traditional activities, such as finding and promoting talented new artists, producing and recording music, and securing airplay will continue to be highly important.” (Porter, 2001: 73). There is nothing in Porter’s strategic vision that prepared the industry for what happened in the following months and years – a decline in retail sales of 41% between 2000 and 2013 and a total collapse in revenues (Midiaconsulting, 2014). Although we appreciate that Porter did not have the benefit of Byrne’s hindsight, Porter did not even discuss the profound effects of Napster on the industry even though it had already proven to be a ‘disruptive’ technology by the time that he made these comments. Neither did he foresee the complete transformation of the music industry from completely alien ‘new entrants’, such as iTunes, Spotify and Youtube, who better understood the transformational potential of the technology pioneered by Napster.

Porter, then, failed to notice the huge transformations within the industries that he was purporting to analyse, perhaps because the rise of peer-to-peer file sharing and open source programming was pioneered by actors and communities that were not traditional business organizations. Specifically, his analysis misses out on key peculiarities of informational commodities: the fact that informational commodities are imperfectly excludable (i.e. my access and use of the commodity does not necessarily exclude others from accessing it and using it), and the fact that they are non-rivalrous (i.e., they
are not diminished by being consumed) (Berry, 2008; Lessig, 2002). To use Kenneth Arrow’s (1974) terms, this makes information a ‘leaky’ commodity that it is extremely difficult to contain. However, it is this leakiness, the fact that informational commodities can be shared, which generates the network externalities and extraordinary benefits of informational commodities in the first place.

As Terranova (2000, 2004) has argued, this is not unequivocally beneficial to the non-business creatives who generate these values. The products of their free labour are subject to on-going expropriation by big business, and the wide availability of news and music free of charge is undermining the subsistence of journalists and artists. However, these new forms of production, distribution and consumption also enable values to be generated and enjoyed in ways that evade exploitation by big business. These cases suggest that Deleuze and Guattari’s work may be more relevant for understanding the destratified workings and deterritorializing forces of business strategy under contemporary capitalism than the models provided by those who work in the institutionalized discipline known as strategic management. Of course, this is not the first time that the critics of capitalism do the analytical work for the academic spokespersons of capitalism. Perhaps Deleuze and Guattari are to contemporary capitalism what Marx and Engels were to industrial capitalism. But like Marx and Engels, they do not merely provide us with an astute analysis of the workings of capitalism, but also with the conceptual and strategic tools for exploring how capitalism can be subverted, resisted and exceeded.

Case 3: Nomadic resistance strategies in the Occupy movement
A number of commentators on the Occupy movement have already explained the distinctive tactics of this movement by utilizing ideas from Deleuze and Guattari (Harcourt, 2013; Nail, 2013). Indeed, the political journalist Paul Mason (2012) notes that the sudden proliferation of Occupy movements in Middle Eastern and Western countries appears to have learned lessons from failed revolutions of the past in part through Deleuze and Guattari’s, and Hardt and Negri’s, work. In many of the Occupy camps that Mason visited, people passed around copies of their books and seemed to draw inspiration from their accounts of leaderless, nomadic and heterogeneous forms of organizing.

Furthermore, several commentaries have observed the unusual structures and communication flows of Occupy encampments. The structure of the occupation was not that dictated by a party or a vanguard, but emerged as an accented, leaderless ‘rhizome’ (Castells, 2012; Harcourt, 2013; Nail, 2013). Under the slogan ‘We are the 99%’, this brought together a variety of different groups, including anti-consumerists, environmentalists, homeless activists, LGBT organizations, students, trade unionists, artists, hackers, ecological farmers, and small business coops. The movement made use of a powerful combination of local and global communications networks. Local forms of communication included ‘people’s assemblies’, which evolved rules for inclusive, non-hierarchical forms of decision-making, and the ‘human mic’, which amplified and embedded the speeches of the occupiers. Globally, Occupy camps communicated with each other through social media channels such as Facebook and Twitter, but also through the traditional media, as when the activists of Tahir Square, Cairo, sent a letter
of support to the Occupants of Zuccotti Park, New York, announcing ‘To the Occupy movement: the occupiers of Tahir Square are with you’.

In Deleuze and Guattari’s terms, the Occupy movement turned what previously had been strictly policed striated spaces of the city into smooth spaces governed autonomously by the occupiers themselves. These physical smooth spaces were complemented by a virtual smooth space on the Internet, where local Occupy encampments created their own webpages whereby they could better coordinate activities and share information about their occupation with other encampments and the outside world. The seed of the movement was an online posting from Adbusters on September 16th 2011:

On September 17, we want to see 20,000 people flood into lower Manhattan, set up tents, kitchens, peaceful barricades and occupy Wall Street for a few months. Once there, we shall incessantly repeat one simple demand in a plurality of voices... It’s time for DEMOCRACY NOT CORPORATOCRACY. (https://www.adbusters.org/blogs/adbusters-blog/occupywallstreet.html)

This call explicitly allied itself with other democratic movements across the world, most notably the Egyptian occupation of Tahir Square, but also with anti-austerity protests against greedy banks and stingy government cuts in Spain. The next day the park was occupied, and a year later there were Occupy encampments in 962 cities across 85 different countries (Mason, 2012).
By refusing to make concrete demands beyond the demand of bringing power back to the people, the Occupy movement manifests one of the key strategic elements of schizoanalysis – the refusal to take power and the refusal to speak in the name of others (Mitchell, 2013). With this starting point, the movement developed a wide range of tactics for self-organization and propagation, including the use of social media to coordinate activities, disseminate their message and publicize protests. But beyond protest, it developed new ways of reclaiming public space and creating new spaces of conviviality, and it revived old forms of production and consumption. Through the political art project ‘Occupied Real Estate’, idle real estate was reclaimed for public use by advertising buildings that were ideal for squatters through ‘For Squat’ notices (Treibitz, 2012).

The non-hierarchical and heterogeneous make-up of the Occupy movement deterritorializes conventional notions of political protest and resistance such as the Marxist notion of ‘class struggle’ as well as organicist notions of ‘the mass’, ‘the mob’ and ‘the body politic’. As we have pointed out previously (Thanem, 2011), the Occupy movement is perhaps closer to Hardt and Negri’s (2000, 2004) notion of the multitude. Unlike ‘the people’, the multitude is not a homogeneous organized unity that can be represented by members of parliament, but a heterogeneous assemblage of people who care about the same issues. And unlike ‘the mob’ or ‘the mass’, the multitude is not a passive, violent, dangerous and easily manipulated force, but positive, politically creative and economically productive. While Deleuze and Guattari’s (1984) schizoanalysis extends Marx’ analysis in showing how capital goes ever further in exploiting our bodies, intellects and networks, it gestures implicitly towards the multitudinal power of forces such as the Occupy movement. Beyond political protest,
the Occupy movement constitutes a powerful case of desiring-production, living labour and ‘the commons’, wherein the creation of economic and political value exceeds and subverts the monetary flows of capitalist markets and the State-parliamentary regulation of politics.

**Strategic lines of flight: Conclusions and openings**

The work of Deleuze and Guattari opens up a number of lines of flight for developing the theory and practice of strategy. We might start with the first danger facing strategists stated at the beginning of this paper: ‘do not become enamoured of power’. In terms of a Deleuzian re-evaluation of strategy we must develop the schizophrenic tendency to pursue “the very limit of capitalism [...] its inherent tendency brought to fulfilment, its surplus product, its proletariat, and its exterminating angel” (Deleuze and Guattari, 1984: 35). In the present paper we have explored these tendencies in terms of three key ideas: (i) that strategic movements within contemporary capitalism follow vectors of deterritorialization; (ii) that they create and occupy smooth spaces; and (iii) that the struggles and rapid transformations that thus are brought about operate through nomadic war machines. We have demonstrated where these mutations are taking place today, in the productive heart of the economy and on the fringes of the socius, in the free flow of music and media, and in the re-appropriation of politics in public space. In the strategic terms of Deleuze and Guattari, these movements bear witness to how we can “deterritorialize the enemy by shattering his territory from within” (1988: 412).
We are not arguing that the deterritorialization of the media industry and the music industry is absolute, or that it provides a total account of contemporary capitalism. Sedentary structures and business models continue to exist, much due to the ability of capitalism to restrict itself and innovate creative forms of exploitation. Similarly, professionalized trade unions and identity-based social movements continue to exist alongside the Occupy movement, perhaps influencing the distribution of resources and the recognition of identities more directly than a loose association such as Occupy. But more importantly, Deleuze and Guattari enable us to bring out the distinct features of contemporary capitalism and its subversion – that which differentiates current patterns of production, distribution, consumption and protest from earlier variants.

Whereas previous co-optations of Deleuze by writers in the strategy literature have depoliticized his work, apparently in order to make it palatable and applicable to the strategic management of firms in the capitalist political economy, we repeat that business strategists can learn nothing from Deleuze, or Guattari. The nomadic strategies depicted by Deleuze and Guattari confront and overflow the limits of capital and will always outpace the strategic plans and two-by-two matrices of corporate managers intoxicated by Porter’s protectionist strategy of oligopolistic competition and Chia’s *laissez faire* strategy of non-interventionist processualism. The action takes place somewhere else across the smooth space that managers and strategy scholars confront only after the fact, as they desperately seek to stratify and reterritorialize its nomadic flows. Yet, as business strategists engage in a compulsive quest for new markets and new targets of exploitation, they are also effecting lines of deterritorialization. The sites of struggle that were examined in this paper highlighted how these deterritorializing
lines of flight are pushing capitalism towards its own limit and its own eventual implosion. This is the end, and beginning, of strategy.

References


*Culture and Organization* 14(2): 113-133.


<https://musicindustryblog.wordpress.com/tag/music-sales/>


