

Toywar for Dummies: A Book Report

"Leaving Reality Behind: The Battle for the Soul of the Internet," by Adam Wishart and Regula Bochsler

Fourth Estate, London, 2002

by Brian Boucher

[art]

In these strange summer days, when capitalism seems bent on its own destruction, we've been finding that dotcoms were not the first companies to create false and fleeting profits. Every day seems to bring a new investigation of a corporate giant, and stocks are on a wild ride. So BBC documentary filmmaker Adam Wishart and Swiss telejournalist Regula Bochsler's account of etoy.com's parody of rampant capitalism in their book *Leaving Reality Behind* -- if not the parody itself -- seems strangely dated, though the events they describe took place only in 1999.

Many thing readers will be intimately familiar with the book's subject, the toywar, in which Swiss artist collective etoy.com defeated online toy retailer eToys.com in a highly publicized court battle initiated by eToys over the etoy domain name. In fact, the toywar platform was hosted by The Thing, and Thing Director Wolfgang Staehle and Senior Editor Ricardo Dominguez, among others, took part. The suit turned into an international performance piece "produced," as etoy archly described it, by eToys and etoy.CORPORATION and "starring 1780 toywar.agents, ca. 38,000 NASDAQ shareholders, 250 journalists worldwide, 45 lawyers & one judge."

The toywar was inarguably a vital episode in the history of the internet that is routinely described in David-vs.-Goliath terms, and the authors have written a thoroughly-researched history of it, based on extensive interviews and access to the archives of etoy.com. But the book's pedantic tone, along with factual errors and some sloppiness, mar what might have been an interesting analysis of this significant event. And that's the book's greatest problem: while the story it tells is at times engrossing, it's ultimately short on analysis of the events it recounts in such detail. The subject might have supported a chapter or an extended essay in a book on the history of the internet, but a book-length study puts me in mind of the college paper by a friend of mine that came back from the professor with "tick, tock" written in the margin.

For their title, the authors adopt the etoy.com slogan, "leaving reality behind." Predictably, they also find it apt for the dotcom craze: "The stock market," they soberly conclude, "appeared to have left reality behind," in one instance of many. They describe their book as intended to convey the story of the toywar to a wider audience, and to set the stage they recount the history of the Internet's creation, which at times seems like filler. They pay special attention to the growing conflicts over the nature of the Internet, such as that between Tim Berners-Lee and hypertext, on one side, and Marc Andreessen and Mosaic on the other. Idealist versus salesman, missionary versus mercenary: the duality informs the structure of the book.

Running parallel to this is the story of the etoy "boys," who quickly discovered the potential of networks for self-promotion and of corporate raiding as a new subject matter. (The authors' unexplained policy of jovially referring to etoy as "the boys" is one of the book's more glaring quirks.) With loving care, the authors describe the development of the etoy enterprise, from their discovery of the internet to their strategy of adopting the trappings of modern corporations, their early recognition at ars electronica, their growing

network of art-world connections and fans, and finally the growing tensions among the original members over control of the group and its policies.

Meanwhile, in California, eToys was preparing to ride the dotcom boom to wealth and fame by providing a more pleasant toy shopping experience. The company's philosophy and history are carefully outlined, and its ultimate failure, as the victim of poor management and unrealistic expectations, is recounted. Despite its ultimate failure and imperialistic behavior, the authors seem at times retrospectively caught up in the company's own craze. Most bizarre is the authors' adoption of the first-names-only ethic of the fledgling corporation, but only for its founders. "Meet Toby!" begins chapter 5 ("Young, Fun and Full of Creative Juices" -- can you stand it?), then explains that "... he was never introduced by anything other than his childhood nickname." Hence, thereafter, "Toby was born and brought up ...", etc. Of Frank Han, co-founder: "Frank was recruited from the Union Bank of California ..." You can just picture the chinos and open-necked shirts.

Their evocation of the excitement of start-ups is equally wide-eyed and dilatory, and is by now tiresome to read. "For Toby, the reasons for starting a business were ... almost sublime." "His management would soon adopt this vision with an intense, almost evangelical zeal." "Always optimistic [Lenk] now became positively evangelical about eToys' prospects." Allright, already.

As both entities were crumbling under their own weight and the stress of internal conflicts, they locked together in that most American of battles: the frivolous lawsuit. To (over)simplify, eToys' lawyers claimed that their company's reputation was in danger of being sullied by association with etoy and that the damages to their company were real enough that etoy should be shut down. Using the controversial Unfair Competition Act, the toy company's lawyers crafted an imaginative but ultimately unfounded case in which "the court papers were like a delicately curated catalogue of [etoy's] exploits," which, importantly, included issuing etoy stock certificates, which the plaintiff, incredibly, described as securities fraud. As many readers will be aware, eToys ultimately not only withdrew its bullying lawsuit but also lost all its value on the market as the expected profits never materialized. The authors pay special attention, rightly, to the toywar, etoy's online platform that allowed the new tactics of online protests that make this such an interesting story.

Wishart and Bochsler then describe three possible explanations for eToys' stock price's decline: first, that the company had no firm financial foundation; second, that insiders' early sale of stock increased its supply, decreasing its price; and third, that the toywar brought down the company. "In the end, perhaps, this [third] perspective overstates the influence of the Toywar ... [but] the idea that a group of artists could affect a billion dollar corporation is nonetheless intriguing." The "parable" of the toywar is ultimately "much less ludicrous, and certainly more entertaining, than many of the other assertions of an era that had lost touch with reality." (See what I mean?)

But this attempt to play both sides is undercut by their own suggestion of a direct correlation: paragraph by paragraph, as they describe the legal battle, the toywar, and the press coverage of each, they chart the falling price of eToy.com's stock. Matthew Mirapaul's New York Times article appears 9 December; stock price falls to \$48.75. Washington Post article appears 10 December; \$45.12. etoy informs supporters their lawsuit won't be dropped; \$26. Zai, etoy CEO, promotes toywar to WIRED news; \$25.56, etc. And one wishes for a more nuanced and clear analysis from authors who have become fairly expert in their subject matter.

No-one can fault the authors for not doing their homework, including extensive interviews with many of the players. The book also features an extensive bibliography, and, for example, in one two-page span they cite Joseph Nocera's "A Piece of the Action: How the Middle Class Joined the Money Class," Robert Shiller's "Irrational Exuberance," and David Brooks' "Bobos in Paradise: The New Upper Class and How They Got There." One can, however, fault them for explaining at such length so many phenomena that by now are part of the common vocabulary -- day traders for example. Combine this with some factual errors -- a galvanizing thingist post by Staehle is described as being posted to nettime; and, gallingly, The Thing is referred to only as an internet service provider -- and typos -- Wolfgang Staehle is once referred to as Walter Staehle; eToys apparently had a General Manger -- and one begins to wonder how accurately the other organizations and events are described. Finally, for a history of a group of visual artists, the book is only very sparsely illustrated.

And in fact, etoy claims to hate the book -- so much that they took the authors to court. As reported in the March 2003 Thing newsletter, etoy had demanded a preliminary injunction in a Zurich court against publication of the book (a suit that they later withdrew) in a pathetic echo of the original legal proceeding described in the book. "It seemed like a miserable coda to what had been at times a brilliant and insightful art project," write the authors.

Ironic, too, considering the largely positive portrayal of etoy as creators of an art project that "brilliantly summed up the times." And Wishart, for his part, has made his sympathies clear, writing in the New Statesman, December 2001, about failed new-economy gurus: "Now these business 'heroes,' who no longer have the ears of investors, have turned to the book-buying public. Approaching their memoir-writing with that same gung-ho spirit in which they built their toppled corporations, they fashion breezy, unself-conscious accounts of adrenalin-fuelled times with hardly a nod to the reasons for the crash. Despite their fall, hubris is still very much in evidence."

And the frivolous lawsuits only seem to multiply: in May, the BBC reported that eToys is taking Goldman Sachs, who managed their IPO, to court for supposedly undervaluing its stocks "even though it subsequently admitted its business model was not profitable and then declared itself bankrupt."

Ugh. Give me a good new-fangled corporate bankruptcy any day.