**Title**

Culture First, Freedom for All: A Neutral Framework to Unlock Time, Talent, and Value by Reducing the Transaction Costs of Knowledge

**Keywords**

transaction costs of knowledge; knowledge commons; culture policy; platform governance; algorithmic fairness; trust and social capital; civic engagement; capabilities; relational intelligence; wellbeing beyond GDP

**Extended Abstract**

This paper contributes to the “Renaissance in Economics” agenda by treating culture and education as enabling infrastructure for economic and civic renewal. The argument is developed primarily within an economic framework, including transaction costs, externalities, incentives, and governance, while drawing selectively on adjacent disciplines to clarify why access to knowledge shapes agency, participation, and trust. When cultural and educational investment becomes residual, both in public budgets and in collective attention, the economy risks eroding part of its relational capital, including cooperation, civic engagement, and the capacity to generate positive sum outcomes. This perspective is consistent with the civil economy tradition linking market functioning to reciprocity and trust (Genovesi, 1765) and with capability based approaches that connect wellbeing to substantive freedoms and public reasoning (Sen, 1999).

A first empirical reference concerns the priority attributed to culture in public policy. Available European statistics show that public expenditure on “recreation, culture and religion” represents a limited share of GDP, and that Italy is positioned among the lower spending countries within the EU. Complementary national indicators highlight low average levels of cultural spending and significant territorial dispersion. Although these measures do not capture informal cultural production, they are consistent with a broader policy pattern in which culture is often treated as discretionary expenditure rather than as a strategic investment in human capital, social capital, and democratic resilience.

At the same time, the informational environment through which culture and knowledge circulate is increasingly shaped by platform based incentives. Discovery, visibility, and public debate are largely mediated by search engines, social networks, and recommender systems whose business models rely on the monetization of attention. From an economic perspective, this intermediation is not neutral. It can generate selection effects and informational externalities, such as distorted salience, concentration of visibility, and polarization, that are rarely internalized. The literature on surveillance capitalism conceptualizes these dynamics as forms of systematic data extraction and behavioral prediction with potential effects on preferences and choices (Zuboff, 2019). Digital architectures can also operate as de facto regulatory environments, embedding rules that are not always subject to democratic scrutiny (Lessig, 1999). Insights from behavioral economics further suggest that environments privileging salience over accuracy may increase exposure to cognitive biases and overconfidence (Kahneman, 2011). The diffusion of generative AI systems may reinforce these tendencies by shifting users from active search and comparison toward more centralized, single answer interfaces.

These transformations also have material implications. The expansion of digital infrastructures and AI systems is associated with a growing ecological footprint, particularly in terms of energy consumption and resource use linked to data centers and computational intensity. Recent international assessments indicate that data center electricity demand already represents a non negligible share of global electricity consumption and is expected to increase further in the coming years, raising questions about sustainability, opportunity costs, and long term system efficiency (IEA, 2023). This adds an additional layer to the governance problem. Knowledge infrastructures

are not immaterial, and their design choices have environmental as well as economic consequences.

Within this framework, the proposed Knowledge and Culture Commons prioritizes institutional and governance solutions over purely technological ones. Nevertheless, specific technologies may play a supportive role. In particular, distributed ledger technologies, such as blockchain, can be explored as ancillary tools to enhance traceability, integrity, and accountability of contributions, for example by certifying authorship, revision histories, and validation processes. Such tools may function as trust multipliers within the platform, provided that their use remains selective, transparent, and proportionate, and does not introduce excessive energy, coordination, or governance costs (Tapscott and Tapscott, 2016; Davidson et al., 2018).

The paper's core diagnosis is that contemporary societies face relatively high transaction costs in the production, circulation, and use of knowledge. In institutional economics, transaction costs include search, verification, contextualization, and coordination costs (Coase, 1937; Williamson, 1985). In the knowledge domain, these costs manifest as duplication of research efforts, weak discoverability of high quality outputs produced by universities, schools, NGOs, and smaller organizations, difficulties in comparing evidence across contexts, and barriers faced by talented individuals lacking access to established networks. These frictions tend to be unevenly distributed, weighing more heavily on under resourced territories and contexts characterized by institutional fragility or instability. In many cases, the bottleneck is not the scarcity of information, but the absence of neutral and trustworthy infrastructures capable of reducing these frictions while preserving pluralism.

To address this bottleneck, the paper proposes a neutral, non profit, multi stakeholder governance framework for an international Knowledge and Culture Commons. The objective is to reduce transaction costs of knowledge and expand substantive freedom through fair access, credible validation, and non captured discovery mechanisms. The proposal articulates two complementary components.

First, a neutral platform anchored to an independent international body, politically neutral and insulated from commercial capture, would host and curate validated cultural and educational content, applied research outputs, and practice based evidence. Contributors could include students, educational institutions, firms, civil society organizations, and public bodies. The platform's distinctive value would lie not in content volume, but in trusted curation and fair discoverability, supported by transparent quality signals and auditable governance rules.

Second, the platform would be complemented by periodic in person assemblies hosted by different cities and universities, including outside traditional academic and economic centers. These assemblies would connect students, early career researchers, senior academics, policymakers, firms, and civil society actors, fostering relational intelligence in terms of trust, cooperation, and collective problem solving. This design is consistent with the view that trust and reciprocity function as productive social assets (Genovesi, 1765; Putnam, 1993) and with insights from polycentric governance on collective action (Ostrom, 1990). Each assembly would generate concrete outputs, such as curated thematic collections, shared protocols, or policy oriented toolkits, integrated into the Commons to ensure cumulative value.

The proposed framework aligns with the conference pillars across micro, meso, and macro levels. It goes beyond homo economicus by recognizing cooperation and other regarding preferences as drivers of value, beyond profit maximization by proposing a non profit governance architecture for knowledge discovery, beyond GDP by foregrounding capabilities and cultural wellbeing, beyond top down political economy by embedding participation within the infrastructure itself, and toward interdisciplinarity by integrating economic analysis with a broader civic mission. The proposal is

conceived as testable, starting from pilot initiatives involving networks of universities and civic organizations, with the potential to scale through shared standards and partnerships.

**Disciplinary Fields (SSD)**
SECS-P/01 – Political Economy
SECS-P/02 – Economic Policy
SECS-P/06 – Applied Economics
SPS/09 – Economic Sociology and Sociology of Work
IUS/05 – Economic Law