

# ***Governing the Carnival: From Extractive Management to Co-Creative Ecosystems in Participatory Fandom — A Harry Potter Case Study***

**Jingyu Xu**

*Alma Mater Studiorum, Università di Bologna, Bologna BO, Italy  
xulelejoy@gmail.com*

**Abstract.** This paper examines how participatory fandom is governed within the digital economy and how this is paradoxical in terms of the relationship between fan creativity and extractive practices by capital. The study, by exploring an in-depth case study of Harry Potter franchise, develops a three-stage model through which capital datafies affective engagement, commodifies creative output, and disciplines participatory activities through legal and platform-based mechanisms. The analysis reveals a structural imbalance: while fans produce cultural vitality that nourishes intellectual properties, capital retains control of legal, financial, and informational infrastructures which capture this value. To address this, the paper suggests an Agent-Centric Co-Creation Framework designed to rebalance agency, redistribute value and establish reciprocal governance, shifting fans from unpaid laborers into acknowledged stakeholders in the ecosystems they co-create. The study argues that reimagining governance system of digital fandom is vital for a more equitable and sustainable digital cultural economy rooted in shared recognition and sustainable participation.

**Keywords:** Fan studies, participatory culture, digital labor

## **1. Introduction**

The concept of convergence culture proposed by Henry Jenkins describes a profound cultural transformation rather than a technological one [1]. It marks a point at which established and emerged media collide, grassroots and corporate productions intersect, and the dynamics of power between producers and consumers entangled in increasingly fluid ways. At the core of this paradigm is the involvement of the audience who are encouraged to be active to find out information and establish significant relationships across a distributed media environment. This change sets a crucial precedent for studying contemporary digital ecosystems in which participatory cultures, including those of contemporary fandom, are in constant negotiation over communal production and commercial co-option.

Hence, the underlying issue driving the digital creative ecosystem is the following: What can be done to encourage creativity without mistreating creators? This is not merely an issue of policy or economics—it's an issue of "Agency". According to the model of Prof. Francis Steen agency is the

interplay of energy and information, unfolding within possibility spaces. It is concerned with who is able to bring into reality potential, who possesses the information to drive the system, and whose possibilities spaces are expanded or constrained.

This dynamic is vividly observed in one of today's most vibrant cultural arenas: fan culture in the digital era. Moving beyond paradigms of traditional media effects that tend to position audience as passive recipients, the present study, inspired by Professor Steen's framework, adopts an Agent-Centered research strategy. Fans are not passive subjects of media effects. They are agents—world builders, meaning makers, community organizers. Looking at the globally acclaimed cultural products, such as Harry Potter franchise or the Star Wars series, it is not hard to discover that fans are very much present in the maintenance of the longevity and the popularity of the products they love. Likewise, Jenkins offered an underlying theoretical prism on interpreting the creativity of the fans, the property of participation, and transmedia storytelling practice, determining the constructive and active role of fans [1]. Jenkins in his book elaborates on the concept of participatory culture in a systematic manner. His main thesis involves a situation where the fans are not isolated consumers in the new media environment and instead they have developed a participatory culture where audiences are empowered with the power to actively appropriate, remix, and circulate the media content in and out of the sophisticated social networks—consumers become advocates, participating in the process of sophisticated transmedia storytelling [1]. This view validates the agentic energy and creative possibility spaces fandom unleashed.

Researchers like Christian Fuchs sharply pointed out that the participation it entails, which is constituted by the user-generated content, social relation, and emotional investment, is systematically re-formulated under the platform capital logic as so-called digital labor [2]. This notion discloses a very deep exchange of values under the guise of seemingly independent and enjoyable creative behaviours of fans: the time, feelings and cognition fans dedicate, that is, their subjective energy, gets turned into assessable and commercially usable behavioural information and focus sources by means or algorithms and contract.

The analytical framework provided by Fuchs points at the gist of the problem of value appropriation in the digital work of the fans their forums, their content and their data as the sources of the value is determined and owned by the platforms and capital as the final stakeholders. Such a redefinition of leisure as productive labor sets one of the primary theoretical contradictions with the narrative of empowerment described by Jenkins. It reveals the central contradiction the technological opening of digital ecosystems give fans greater opportunity to make such creative expression in their work, but, at the same time, systematically limit the awareness of fans of information and their right to the distribution of revenues on the value that they create, both economically and legislatively. In this way, the fan subjectivity is confirmed as creative on one hand, but put under the risks of alienation and exploitation on the other one, economy and property. In this way, on one hand, the digital ecosystem that makes fans creative resources gives them the opportunity simultaneously to be subject to the systemic co-optation of their agency to alienate capitalist values. The agency of the fandom cannot be denied but has circulated through an environment in which corporate and platform capital carry enormous systemic energy and critical information, disciplining the possibilities spaces of fan action.

In this way, the research question of this paper can be formulated as follows: In the context of the cross-media digital economy, what is the reality behind the relationship between the creative power of fans and the agentic power of capital? Is it a story of unadulterated empowerment, covert exploitation or a more intricate controlled relationship? This study attempts to call apart this paradox through an extensive study of the Harry Potter fandom. It contends that not only has the ecosystem

enabled the fan communities and creativity, but it has also created an elaborate managerial procedure to identify, direct and, ultimately, extract the fan labor which has created a fan economy, that is both lively and horrendously hypocritical. The author defines this process as made up of three successive steps which may lead to a four-mechanism regulatory system. This work will eventually attempt to push the boundary of the mere diagnosis of the various exploitation dynamics and delve into a governance structure that is based on reciprocal value acknowledgments and increased possibility rooms of the agents, to offer potential solutions to mode of addressing the direction to take on the question set at the start of the work how to strike a balance between creativity stimulation and protection of the rights and interests of the creators.

## 2. Case selection and methodology

This paper uses the Harry Potter movement as a paradigmatic example to challenge the main problem of agency, management and distribution of values. This franchise is an ideal-type field, which was unusual by demonstrating the structural contradictions of cultural production of the digital age in a unique way.

Three major reasons are chosen to select the case. It has a global scope and a history of more than twenty years of development, first, giving a longitudinal perspective of how fan practices and corporate strategies have been co-evolving in changing media ecologies. The second is that it contains a stratified ecosystem the grassroots archives (e.g., AO3, Loft) and fan mods to official games and theme parks that span almost the entire range of fan-capital interaction. Last but not least, the datafication, creative control, and copyright control practices prevalent in the industry are applied by one of its representatives, rightsholder, Warner Bros.

The research takes an embedded case approach methodologically to get out of macro-theory. It combines: 1) textual criticism of institutional and fan writing; 2) platform/policy knowledge of user terms and copyrights that pattern participatory opportunities; and 3) event-based monitoring of significant episodes of co-optation, in the format of the Manacled adaptation. This method-cross design follows the development of capital in identifying, directing and extracting fan creativity of particular technological, legal and commercial structures.

## 3. Three-stage model

### 3.1. Stage 1: identification & datafication—turning love into quantifiable assets

During the early internet years, Harry Potter fans had spontaneously created numerous sorts of quizzes, surveys and discussions on forums, blogs and fan websites, one of which stood out as unlike others was MuggleNet. MuggleNet had been put up by a 12-year-old fan of Harry Potter in Indiana in 1999, even before the official site. The site contained discussion forums, editorials, reference areas including Name Origins and latest news about the films and the books. It also introduced an interactive flash site MuggleNet Interactive that helped immerse the world of fans in the magical world even further, with role-playing games such as "House Sorting Ceremony". It is a classic and most popular Harry Potter fan pages and the mere fact of its existence is the embodiment of the initial community of fan decentralization and the primordial version of fan rituals. This was a purely community rite caused by mutual interest and seek of affiliation. This is the heart of fan practices as Lamerichs suggests, fandom becomes an experience, rooted in emotion and an act of identification with other people [3].

As this kind of fan activities thrived, they also became visible to the corporate stakeholders. The sorting test was institutionalized and given an aesthetically polished form in 2019, when the official Wizarding World site was launched by Warner Bros. According to the official privacy policy, user test data, preferences, and devices are gathered to provide users with an individualized content and recommendations that are relevant. This move was a paradigmatic shift: what had been an affective practice of centralization ultimately transformed to a centralized, proprietary platform interaction.

The very notion of datafication perfectly sums up this change. According to Mayer-Schoenberger and Cukier, datafication refers to the conversion of social action into online quantified and thus making it possible to seek real-time tracking and predictive analysis [4]. This definition gives the definite operational spectacle of the way in which the Sorting Test has been platformized by Warner Bros.: decentralized, affective fan practices are transformed into measurable, visible data streams.

Nevertheless, considering datafication as a way of looking at a process as neutral and technology-driven that is, the transformation of raw social action into data would hide the political-economic rationality. Van Dijck also takes the caution of the insidious philosophy behind this change: Dataism is so effective, because large groups of individuals are simply user-naïve or unintelligent enough to put their own personal data in the hands of corporate web sites [4]. Such a critique throws a lot of light on one of the main mechanisms in Stage 1. The official Wizarding World site is not just a technologized fan ritual; its operationalization of an already existing often untrusting trust is a strategy. Fans voluntarily sell their test information and device data, which is something like a regular currency in the terminology of van Dijck [4], in order to get customized and immersive experiences and the perception of being an official entity. Such, according to van Dijck, a trade-off has also become part of the comfort zone of the majority of people and seems to have made its systematic extraction of behavioral data a reasonable, even harmless, exchange of service [4].

Therefore, basing the discussion on this two-fold point of view by van Dijck, the ideological criticism of datafication, as well as its operational meaning, has a straightforward catalyst; it is the exploitation practices introduced at the Stage 1 that have come into perspective or rather come to light. The technical process that makes fan affect legible is datafication [4], whereas the political-economic nature of it stems out in the notion of digital labour [2], which is the formation of unpaid value through the mechanism of datafication. This begins by privatizing the data: the capital disembody the practices of the community and puts them onto its own privately held data platforms. This provides the structure of transforming affective practice into an appropriable data stream. On this architecture, collection of user data, and channeling of affective labor is the result of the fundamental operations of datafication: real-time tracking and predictive analysis. All the interactions with the fans are monitored and transformed into profile data that subsequently drives marketing and product creation. Finally, a fan declaring his or her affiliation to the Houses spontaneously, undergoes a twofold change: its operational perspective will turn into behavioural patterns which can be analysed, even its political one into unpaid digital labour. The trust with the exchange of experience that facilitates the expression and expression of the fan therefore gives the platform its commercial strategy as a datafied asset.

To conclude, what capital builds with the help of "Identification & Datafication" is much more than a prettier fan site; it is a system which is intended to transform the affective energy of fans into digital objects which can be monitored and analyzed and used in accordance with the principles of capital (or business intelligence and advertising cash).

### 3.2. Stage 2: guidance & commodification—turning creative passion into marketing content

Stage 1 outlined how capital makes fan affect readable and proprietary as data. The aim of this infrastructural capture, however, is a larger one: it is not only to look, but also to grow and harvest the creative work data predicts and makes visible. Therefore, the managerial apparatus swings around to the position of identification and datafication, which initiates a new era in which the creative aspects of fans become the main input that can be directed to the value chain of capital.

With this established infrastructural control, i.e. when communal rituals of the fans are turned into individual, measurable property, capital does not have its operational logic ending with the acquisition of data. Even the data streams and the platform ecosystems developed during Stage 1 leave a predatory vantage point. They allow capital to determine, more accurately than it had done before, the most resonant types of content. In this way, what was happening in the back end as the capture of affective data is now being transformed to the front-end of organizing affective expression. The next, more obviously visible phase of co-optation is explored at this stage, where capital in the form of datafied knowledge actually plans participatory systems to systematically direct the unstructured, creative deluge of fandom into harvested, market-theoretically aligned content economy. It is dramatically changed into the commodification of participation as the energetic, distributed archive of fan works becomes a marketing pool subsidized by the creative one.

The user-generated amount of creative output that surrounds Harry Potter is endless and constantly refreshing the digital ecosystem. On sites like Tik Tok, Weibo, X, and even archives specifically created for the storage of character art, narrative memes, extensive analysis of the plot in videos, and fan fictions are created and shared by fans. The posts posting under the hush-tag harrypotter have already topped 23 million posts on Tik Tok [5] which is an indicator of an enormous, self-perpetuation cultural economy and a strong cultural feeling of community. Nevertheless, at the official social media, strategically, the hashtag campaigns [6] and contests that openly motivate and present exemplary, in-brand creations are launched [7]. It is not an innocent partying but an advanced system of control and commodification.

This enactment of what Tiziana Terranova theorized as an operation of free labour as productive activities, is at once voluntarily donated and unwaged, both enjoyed and exploited [8]. Millions of creative works produced within the frames of official hashtags or campaigns form a gigantic library of free marketing, which is constantly renewed. It is the platform/IP holder who gains immeasurable value authentic content engaging enough to drive traffic and keep a specific culture alive, without having to pay or even commission it. According to Terranova, this is the point in which informed consumption is turned into productive processes that are pleasurously appropriated yet, at the same time, frequently shamelessly exploited [8]. The funnel, through which the passionate, voluntary play is converted into exploitable content in a systematic way, is the official call of submissions.

Nevertheless, viewing this just as economic exploitation will miss the subtle engine that drives it. Kristina Busse supplements this phenomenon with an important explanation of the paradoxical zone where fan labour exists between affective play and unwaged work that capital channels expertly [9]. The honor-based incentives of official recognition benefits—the retweet, the contest feature—cannot be seen merely as extrusive rewards. They tap directly into the affective economies, social capital inherent in fandom. According to Busse, this in-between space is where fan labour, which is usually culturally marginalised, but key to the emotional gratification, can be found [9]. By offering official accolades, capital intelligently merges the internal joy of creative play in the community with the external validation of corporate brand. This merging increases labour input as fans invest greater effort not only for personal or peer satisfaction but for the chance of this approved, hierarchical esteem.

The combination of these theories conceptualizes Stage 2 as a co-optive circuit construction. Terranova is a critique of structure value extraction: the economic value of the fan community the marketing content, data, and engagement are nearly free flowing in the direction of the capital. Echoing Busse, the socio-cultural process in question, capital by itself achieves, consists in disrupting the channels of affective and social value, in altering their course, into satisfying the affiliation, belongingness, identity with the fandom. Official platform turns into a keeper of the cultural capital that teaches respect to the creative expression to brand-good stories instead of bestowing over the brand-negative or non-conforming work. It is not a breakdown of creativity, but its effective transfer of its harnessing an operation in which the forces of imagination and passion of the fans are well transferred into the strategic vitality of the IP sphere. Fans, who are trapped between seeking personal happiness and the bureaucratic award, are the key player in an equation where his biggest payday is the continuously feeding mechanism upon their efforts. This duality of fan labour—as both freely given affective engagement and a form of cultural stewardship—finds further nuance in recent work on fandom's archival memory. Bourdaa observes that fans often frame their unpaid labor not as exploitation but as cultural reciprocity and skill cultivation—a form of agentic energy directed toward community preservation rather than financial gain [10]. This reinforces the paradox wherein the very affective labour that sustains the ecosystem is also what renders it readily harvestable within capital's commodification circuits.

Thereby, a content supply-chain based on the honor-based incentives, capital effectively directs creativity of fans to a perpetual, low-cost supply chain. Nevertheless, such participatory model, too, assumes a requirement to control the limits and exceptions of such creativity—a fundamental regulatory layer.

### 3.3. Stage 3: legal and platform discipline -outlining the parameters of permissible carnival

The artificialized carnival of Stage 2, though, needs its rules and fences. The abundance of participatory energy once it has emerged into other outlets other than the ones designated by capital strategies whether it is dissent, competition, autonomous success will require a shift in strategy by capital to not encourage participation but to police its limits. This change ensures the movement in the management of what is encouraged to the management of what is allowed to eventually, what can be owned.

Although the actual implications of capital channels on the fan channel of creativity described in Stage 2 are brief in a creative economy that is subsidized, the model has its logical limits. It is incapable of safely holding practices that cannot be commercial co optioned, are revenue threatening, or have autonomous value that may be clustering itself against official products. In its turn, this triggers a deeper managerial level. Stage 3 explores the legal and platform centered disciplinary architecture which forms the basis of the participatory economy- the last and coercive level in the co optive circuit. After datafication of affect (Stage 1) and commodification of creativity (Stage 2), capital formulates the management of practice itself. This level would allow any fan agency, however rebellious, successful, to eventually be circulated within corporately approved parameters and thus, turn participatory culture into a managed ecosystem. Instead of unfinied oppression, Stage 3 is a mechanism of accuracy and management, which includes day-to-day filtration and establishment of rules among the people to strategic tolerance and the eventual integration. It does not consist in removing the creation of fans, but in directing it with utmost efficiency and minimum expense into interest, where capital will be most well served.

#### a. Invisible Sieve: The Systemic Filtration.

The most widespread, but invisible kind of discipline is offshored to structures of platforms themselves. Warner Bros. also takes the advantage of the built-in intellectual property programs of platforms in place of tracking down individual fan merchants. In the example of Etsy, its partnership with the intellectual property protection program of the company results in automatic detection and delisting of unofficial Harry Potter merchandise. Since the number of seller questions on forums testify such as the r/Etsy subreddit [11], this results in sudden removal without any personalized notifications or contact from the rightsholders. This device acts as an automatic sieve, filtering out commercial fan work that transgresses into prohibited ground. It is a regulation through infrastructure, a default protocol of digital markets that are proactive in policing behaviour, an act of platform predefense, which turns the legal police response to a case-by-case response, or a systematic and impersonal state of engagement with platforms.

b. The Public Boundary: Demonstrative Deterrence.

Beyond this machine and programmed vetting of the backdrop is the exercise of law itself, evident, open and transparent. Visitor Agreements describe each rule in detail and put it under a transparent ceiling limit in Visitor Agreements and Content Policies, which Warner Bros. publishes. This is a social space-defining that is triggered by exemplary courtroom interventions aimed at educating and discouraging the whole society. A notable example is the cease-and-desist order imposed on the independent "Magic World Online" project in 2015, an unlicensed copy of Harry Potter MMO in the form of a crowdfunding venture [12]. This legal intervention was an act of forceful ending to the project and a better notification of the outcome of execution of large scale and competing commercial experiences against one another, without permission.

The rationality of this mass deterrence is directly connected with the protection and marketing of official business activities. When and to whom such enforcement is coveted is tactical. The decision to block possible rival game development by Warner Bros. is correlated with the investment and release of its official and blockbuster titles such as Hogwarts Legacy a game that earned more than 1 billion dollars in revenue [13]. The difference is sharp: any initiatives made by fans with commercial intentions are killed by law, and the capital gathers resources and gains profit on official products of high production value. This process is thus used to get rid of possible market rivals and distinctly mark the line dividing acceptable fan games and commercial rights. It determines which forms of fandom can be considered free labor and the ones that need to be transformed into commodities controlled by the corporation.

Tour de force, Public Boundary and Systemic Filtration are the two pillars of complete hegemony clothed in coercion in the digital fan economy. Gramsci theorized hegemony as aided by two forces, which are interrelated: the so-called "spontaneous consent" which is regulated through cultural leadership and the so-called "apparatus of state coercive power" which is enforced upon non-consenting members by the law [14]. The above two mechanisms are expressions of this apparatus in the digital age and the most depersonalized and bureaucratic form of the same is Systemic Filtration. The automated IP system of the platform is or can be referred to as the "deputy" [14], a proxy or agent of the dominant group, seamlessly integrated into the digital world. It has strength in its automation and generality; it implements rules across-the-board, and does not require any direct command, making the corporation a naturalized element of the platform as a technology. It patrols the economic border of fandom and brings discipline in an impersonal, proactive manner.

The Public Boundary, especially by demonstrative lawsuits, is the performative, as well as its classical, "juridical government" [14]. It is the hand to the stick visible in the velvet glove of participatory culture. Capital has bi-fold role by publicly exercising legal force on projects such as the Magic World Online. First, it uses crude coercive power to get rid of threats. Second, and most

importantly to hegemony, it pedagogically builds common sense. These celebrity gestures are courses that educate the fan society on the eternal principles of the game: creativity is one thing, commercial ground is another, which is officially capital. This creates a normative perception in which the dominance of the entities such as in the case of Warner Bros will be not arbitrary power, but the just and natural order of things the very content of Gramscian hegemony.

Therefore, these processes are not law technicalities but the basis of the preservation of the hegemony of capitalist systems in the world of fandom. Systemic Filtration serves as the greatest defence of the limits, by giving them low-level enforcement and the Public Boundary by giving them dramatic high-stakes enforcement. They collaborate in order to guarantee that the economic interests of capital do the work of making sure that the participative, energetic energy of fandom they have fostered in Stages 1 and 2 is then circulated in a playground whose wall has been owned and patrolled by corporate landlords.

#### c. Strategic Tolerance: The Computed Exception

The disciplinary regime of capital is not absolute prohibition of capital but a risk-taking of cost and gain that is calculated. An example in point is the thriving community of Minecraft-based Harry Potter mods and RPGs, including the "Witchcraft and Wizardry" map in the Harry Potter world. They are fan experiences that are extensive and reconstruct the wizarding world, usually through a lot of creative work. It is interesting to note that the Warner Bros. have never sued them.

This very selective inaction is a strategic action by itself. It is based on an obvious calculation of costs and benefits: these mods are non-commercial, relying on the Minecraft platform, and therefore should not provide any direct competition to official and revenue-producing products such as Hogwarts Legacy. More to the point, they create immense ecological value by keeping fans in suspense, building community goodwill, and politically freeing and decentralizing marketing. Labour put into them is as Terranova explains quintessential free labour—activity that is pleurably embraced [8]. It is exactly the freedom of giving this labor, and the convenience of confiscating its productions, which makes capital tolerate it.

This toleration can be viewed through a critical perspective of the remix culture framework offered by Lawrence Lessig and his concept of the hybrid economy. Lessig believes that a healthy cultural ecosystem must have room for non-commercial remix and sharing [15]. Minecraft safe harbor inadvertently hunts down the survival of Minecraft mods in such an ongoing precarious and informal way. Though, not through right or design, but through corporate favour and strategic designing, this safe harbour does exist. It is a space of tolerance which could be revoked in case of a change in the equation of costs and benefits. In this way, strategic tolerance can not be understood as a liberalization of copyright, but instead its elastic implementation in the long-term interest of capital. It trains the fan ecosystem by establishing the classes of unpaid, platform-dependent labour that are useful enough to be allowed to proceed on their own, and so the creative energy is vented into the channels that support as opposed to falsifying the official commercial mainframe.

#### d. Final Harvest: Ultimate Incorporation.

The ultimate disciplinary mechanism is initiated when a production of fans gains excessive cultural capital and autonomous value to be forced to tolerate. The "Manacled" fanfiction is definite in the path it takes. It has proven a force of market-proven narrative with millions of downloads and huge online communities, bringing phenomenal success. Nevertheless, having the reputation of being derivative fan work tied to it, its commercial opportunities could not be legally realized until it was whitewashed. Devoid of Harry Potter allusions, it was reissued under its original title "Alchemist", the film rights are since made by Legendary pictures in a seven-figure deal [16].

It is not that they are suppressed, but capitalist capture is the highest order. It is a good illustration of such and such dynamic of incorporation that Nicolle Lamerichs studies in the context of luxury fan fashion. Based on Hebdige, Lamerichs explains incorporation as the way in which subcultural styles get transferred off the streets into shops and later on to the runway [17]. The same is the case with "Manacled": community-created phenomenon out of the grassroots is white-washed and transferred into the official marketplace.

More importantly, such incorporation is exclusionary in nature. As Lamerichs concludes, this commodification stringently turns any fan capital into exclusive art and designs, no longer connected to their context and original sense, and frequently discursively marginalizing the initial fanbase [17]. It is just this division that the whitewashing of Manacled carries out. The elements that made it a part of a common fan culture, its peculiarities of character relationships, dialogue with the canon are cut away. The huge influence of affective work and community authentication that gave it its surge is intentionally cut out of the end product of the commerce. Authorship of fans is made invisible, and the work is repackaged to a wider, "legitimate" market. It is the final harvest: capital has learned to recognize the most effective, creative energy that is created in the fandom, cut it out of those threatening, intellectual property-infringing roots and the context in which it was created, and safely extract the homogenized, commercially viable product into its own empire. This is meant to be the last, drastic illustration of how in the dealt carnival, the most desirable rewards are always left to, and received by, at the end of the day the capital.

A combination of these four processes, that is Systemic Filtration, Public Boundary, Strategic Tolerance, and Ultimate Incorporation, create a complex infrastructure of platform discipline. It transposes sources of automated coercion into the pedagogical deterrence, calculated permissiveness to ultimate, exclusionary absorption. This architecture in no way attempts to suppress fan agency but in other words attempts to control it throughout its lifecycle: it selects its banal manifestation, places its upwardly limits, accepts some of its practical surplus, and when a surplus turns out to be such an exceedingly valuable asset, absorbs it. What is created is a well-run ecosystem, in which every bit of fan labor, the banal and the incredible, has been had and washes down, ordered, and refined, all to support even the commercial empire of which it is so proud.

### 3.4. Synthesis transition: the fundamental paradox of fan agency

The three-stage model explicates a systemic architecture in which capital datafies, commodifies and disciplines fan engagement. Nevertheless, to take this solely as a victimization story would miss the very engine that drives it. Fan labor, similar to the point made by Busse, resides in a paradox environment in which deep personal fulfillment and exploitative systemic practices co-exist [9]. The emotional pleasure, community belonging, and artistic portrayal that fans experience are all genuine and agential, they are the labor of love that drives the ecosystem. It is this very genuine, voluntary energy that makes the managerial processes that are charted in Stages 1-3 so effective. The strength of capital is not to eliminate the agency of fans but to organize and redirect it in a systematic manner. The main contradiction, then, is not the absence of creativity or love, but rather a failure of structure of governance and redistribution of values: the fan agential energy is relentlessly exploited, whereas the systemic energy, legal, financial, platform, and information, data, rules are asymmetrically concentrated in the hands of capital. This lack of balance guarantees that the vibrant value produced by fans is in the end alienated to produce the commercial empire it is endorsing. Realizing this complicated dynamic, in which exploitation is indeed made off of what must be a real satisfaction, there must be a way to find not less creativity, but a fairer kind of structure, one that

acknowledges fans as stakeholders that have the right. This is what causes the last yet potential part of the analysis of the writer the proposal of an Agent-Centric Co-Creation Framework.

#### 4. Proposed solutions

What the three-stage model can show is not the problem of creativity crisis, but an essential structural imbalance at an agency level. The present ecosystem is marked by acute asymmetry, capital exceeds the possibility to monopolize systemic energy: legal, financial, infrastructural power, controls information; and fans, who are the main source of agentic energy, passion, labor, and creativity, which imparts cultural life to IPs, have limited the possibilities spaces to act, are disciplined and compressed in the system they nourish. Instead of bringing down the commercial ecosystem, however, the trick lies in reforming its governance. Rebalancing these energies, redistributing information and officially acknowledging fans as legitimate stakeholders is the solution. In this direction, the paper herein establishes an Agent-Centered Co-Creation Framework: a conglomerate of principles and mechanisms toward modulating digital cultural economies through the extractive, to a structured reciprocity paradigm.

Pillar 1: Accounting Data and Transparency of Values and Data Activation.

This pillar speaks directly of the transparency of the Stage 1. It proposes two operational mechanisms, the first being a compulsory presentation of large-scale IPs with aggregated data to measure the extent of participatory work and community affection, make the enormous magnitude of fan input palpably apparent; and the second one promotes the portability of fan data and the rights to the audit, so that individuals could gain access to their own records of participation. Through it, the notion of data becomes less one-sided surveillance and assetization tool to a common informational resource, this way fans have been enabled become what they are not visible data points. It confirms them that they work, which is a known method of value production, and a more comparable ground to all further negotiations.

Pillar Two: Learning to Share and Intercourse Value.

Based on exploitative mechanisms in Stage 2, this pillar institutionalizes reciprocity. It suggests the creation of automated micro-revenue pools operated under smart contract, which operates under a set percentage of revenues on official derivative works, including large games and merchandise that have an express beneficiary in the form of fan-engagement-driven culture. These pools are not specific work distributions which are payments in particular works but are a collection of royalties throughout the ecosystem. The community governance funds, made up of elected-representatives of the fans, should be charged with management of resources flowing toward fan-driven infrastructure (e.g. archival conservation, tools), creative fellowships and philanthropic efforts in the name of the IP. This generates an essential feedback mechanism: sending a portion of systemic energy to community agentic energy in the form of material reciprocity, i.e. accepting the fact that commercial empires are structured together, and having to be sustained together.

Pillar Three: Bigger and foreseeable Creative safe Harbors.

This pillar would instead keep uncertainty at bay, provided a chilling effect in Stage Three, particularly the randomness of so-called strategic tolerance. It invites IP holders to declare open called Fair Creation Charters which prenegotiate and specify safe harbor categories, as in, non-commercial transformative works, non-commercial mod modulations, or small-scale handmade sales below set income limits. This mechanism is in conjunction with an independent arbitration panel comprising of legal experts, community members and industry representatives to settle litigations thereby minimizing legal liability of fans. The reasons behind its agent-centered rationale are obvious: it turns an environment with a poor information level and fear-induced self-censorship

into one with abundant information and frameworks of probability. By making the participation rules clear in advance, fans can work together more, and without the risk of losing their capital to remote disciplinarians, they can be turned into collaborators in making of their own rules in things of common creativity.

Furthermore, the implementation and reception of such governance frameworks must account for various fan perspectives across cultural and generational contexts. Kalmus et al. propose a "surveillance survival paradox," wherein individuals' tolerance for dataveillance and institutional discipline varies systematically: individuals from regions with historical state surveillance may present heightened sensitivity to corporate datafication, while digital-native generations often normalize commercial monitoring as a trade-off for participatory access [18]. This lens suggests that efforts to rebalance agency and reshape governance must be coordinated with divergent views of surveillance, control, and fair exchange across different social ecosystems.

When these three pillars are combined, it is a practical outline of changing the fan-capital relations. The Agent-Centered Co-Creation Framework uses the fundamental observation of this study: rebalancing energies, information redistribution, and an official enlargement of the space of possibilities of primary creators can allow developing a robust hybrid economy. This is compared to turning paradigms such as extractive management which consumes agentic energy to ecological governance which fosters -and recycles-such energy within systems themselves. It is intended to establish a digital culture in which creativity is not merely exploited, but nurtured, valued, rewarded, acknowledged and becomes an inseparable force propelling our collective narratives. This framework is not aimed at abolishing the commercial success but at making sure that such success will be based on the principles of fairness and mutual respect.

## 5. Conclusion

The paper has traced the history of participatory fandom in the context of the changing managerial logic of capitalism. The analysis of the tiered and disciplined correct identification, distribution, and gathering of fan agency is presented with an initialism of datafication of affect (Stage 1), followed by a commodification of creativity (Stage 2), and finally a legal and platform-based disciplining of practice (Stage 3). As the Harry Potter case suggests, it is not only possible to describe the cultural production which fans lead but also the specific processes by which the vitality of these cultural, including capital bound and captured processes systemic filtration, public boundary-setting, strategic tolerance, and ultimate incorporation.

The main contradiction revealed here is that of energetic disparity: fans provide the agentic energy—the love, labor, and creativity which supports the cultural ecosystem, and capital retains the systemic energy controlled over the systemic information which regulates that ecosystem. This structural imbalance allows some kind of extraction that is frequently blurred behind these pleasures and community affiliations that it feeds on.

This study has then responded with an Agent-Centric Co-Creation Framework, which is based on three pillars that aim to re-establish equilibrium in agency, redistribute information, and widen possibility spaces. Instead of shunning commercial participation, the model aims to institutionalize reciprocity—transforming fan-capital relationship from extraction to structured partnership.

Finally, this paper posits that the participatory culture is dependent on the positioning of fans as stakeholders in ecosystems that they actively produce rather than as consumers and undervalued laborers. Creativity is not the problem that must be contained, but governance should be redesigned in such a way that the cultural economies we make are as just and sustainable as the narratives they provide. Future studies could build on this framework to other media franchises, study the role of

platform cooperatives in managing the fans, or test empirically revenue sharing and data agency mechanisms. What seems to be evident is that unless there is a conscious structural intervention, the carnival of participation will always be a spectacle whose gates and profits are controlled by those who own the grounds.

## References

- [1] Jenkins, H. (2006) *Convergence culture: Where old and new media collide*. New York University Press.
- [2] Fuchs, C. (2014) *Digital labour and Karl Marx*.
- [3] Lamerichs, N. (2018) Shared narratives: Intermediality in fandom. In *Productive fandom: Intermediality and affective reception in fan cultures*, 11–34. Amsterdam University Press.
- [4] van Dijck, J. (2014) Datafication, dataism and dataveillance: Big data between scientific paradigm and ideology. *Surveillance & Society*, 12(2), 197–208.
- [5] TikTok. (2024) #HarryPotter hashtag data. TikTok Creative Center.
- [6] Wizarding World. (2023) Show us your house pride! Tag your pics with #HogwartsHousePride and you might just see them featured right here. X.
- [7] Weibo. (2023) Official fan creation contest post. Weibo.
- [8] Terranova, T. (2000) Free labor: Producing culture for the digital economy. *Social Text*, 18(2), 33–58.
- [9] Busse, K. (2015) Fan labor and feminism: Capitalizing on the fannish labor of love. *Cinema Journal*, 54(3), 110–115.
- [10] Bourdaa, M. (2025) Archives, preservation, and databases: Creating the cultural memory of fandom. In Ciesielska, D., Lamerichs, N. and Zarzycka, A. (Eds.), *Affect in fandom: Fan creators and productivity*, 193–208. Amsterdam University Press.
- [11] Etsy. (2025) Discussion thread on Harry Potter items being removed. Reddit.
- [12] MassivelyOP. (2015) Indie Harry Potter MMO slapped with cease and desist by Warner Bros. MassivelyOP.
- [13] Warner Bros. (2023) Warner Bros. Discovery reports first quarter 2023 results. Warner Bros. Discovery.
- [14] Gramsci, A. (1971) *Selections from the prison notebooks*. Translated by Hoare, Q. and Smith, G.N. International Publishers.
- [15] Lessig, L. (2008) *Remix: Making art and commerce thrive in the hybrid economy*. Penguin Press.
- [16] The Guardian. (2025) Harry Potter fanfiction author lands seven-figure film deal. The Guardian.
- [17] Lamerichs, N. (2023) Droids on the runway: Fandom, business, and transmedia in Star Wars luxury fashion. In Affuso, E. and Scott, S. (Eds.), *Sartorial fandom: Fashion, beauty culture, and identity*, 99–113. University of Michigan Press.
- [18] Kalmus, V., Bachmann, P., Kouts-Klemm, R. and Qutteina, Y. (2025) The surveillance survival paradox: Experiences and imaginaries of surveillance in a generational and cross-cultural perspective. *Surveillance & Society*, 23(3), 312–327.