The world as we find it: the context and content of modern advertising

Unit 1: Modern meta-capitalism and globalization

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Introduction

The world as we find it has a seeming solidity. It is there. Things are what they seem. Realistically, we accept things as they are, and adapt ourselves to them. Adaptability is, after all, what we are told enabled human beings to survive and become the dominant creatures on earth.

However, human beings are also blessed (and cursed) with curiosity about reality, about what lies beneath the surface of reality, and about whether reality can be changed. It is this curiosity that drives the human quest for knowledge and progress. It is the foundation of all intellectual criticism of what is taken for granted – though not all of us would fully agree with the radical philosopher of the 1960s, Herbert Marcuse, that “that which is, cannot be true”.

This course and this specific unit is therefore also about the world as we find it, about its reality, about what lies beneath its various surfaces. It is therefore, also, about discovering whether it can be changed through educational processes.

What this unit does

This unit:

- Explains some basic knowledge of the features of contemporary global capitalism
- Examines the connections between contemporary capitalism and the nature of contemporary advertising, branding and social media
- Describes some of the impacts of contemporary global capitalism on middle class people, public spaces, choice, design, and the engineering of identities and networks in contemporary society
- Explores common views on contemporary globalization and outline some of the arguments for and against globalization.

The economic world as we find it

The world as we find it now is essentially a capitalist one. Alternative models of the economic ordering of society, such as a centrally controlled socialist society or the welfare state have been defeated by both the collapse of socialism in Eastern Europe and the Russian Federation and by the gradual erosion of the welfare state in Western Europe. But the version of capitalism that has triumphed is not the old industrial version but a new electronic age one – meta-capitalism.

The old style capitalism

Old style industrial capitalism was largely based on the concept of a business enterprise that owned physical assets and employed workers in an organised way to produce and sell products. Up until the 1980s most companies liked to have all of this firmly under their control and often within its “four walls” (though both the **physical capital** of land and factories and shops, and the **working capital** of ingredients, raw materials, parts inventory, work in progress, and finished goods were increasingly integrated, standardised, consolidated and streamlined). The **human capital** (that is, company employees) worked on producing the goods as efficiently as possible and selling these goods to customers. While there might be continuing exploitation of the workforce even in democratic societies, there might equally well be fair conditions of work, pay and benefits and a considerable degree of loyalty by workers to the company (the latter notably in Japan where employees might stay with a single company for life). With hard work and luck a company would develop customer “goodwill” and this goodwill was increasingly associated with brand names.

Thus the old capitalism was about the production of goods and wealth from the sale of those goods. The economic conflict within society was about who owned the means of producing those goods and who got the profits. Throughout the world the workers had lost the battle to directly control the means of production and who got most of the profits, but unions and democratic governments generally ensured that employees didn’t get too raw a deal. Indeed, in the second half of the 20th century in most advanced capitalist countries in North America, in some parts of Europe, and in places like Japan, the majority of workers came to see themselves as middle class and enjoyed a degree of prosperity unimaginable a half-century before. In the new millennium a reversal occurred with a massive increase in the prosperity of the rich and declining fortunes for the middle classes and more and impoverishment for the very poor.

The new capitalism

Then came the new, or ‘turbo’ or ‘hyper’ or ‘meta’, capitalism that came to dominate the world at the end of the 20th century.

This new capitalism was seen as promising astonishing expansion and wealth, enormous growth of electronic business, the streamlining of the raw materials and finished goods supply chains, and tremendous efficiencies. Means and Schneider (2000, p. xv) noted that in the 1990s it led to an explosion of the global capital market value from $20 trillion to $200 trillion in less than ten years. (This optimistic vision was somewhat tarnished by the collapse of numerous “dot.com” companies and energy and financial giants such as Enron in 2001 and 2002, by the financial crisis in late 2008 and the global pandemic of 2019 to 2021).

What were the key changes that created this supercharged version of capitalism?

Means and Schneider (2000, p. xvi) see the globalization of the world economy and the integration of worldwide capital markets as the key changes. Key factors influencing these were drastic political and economic ‘reforms’ in the United Kingdom under Margaret Thatcher and in the United States of America under Ronald Reagan and their successors) that:

> cut government, cut the budgets and bureaucracies and the rules they make; privatize just about everything; deregulate currency and capital markets, free the banks to speculate in currency and shift capital across borders. ... Open every nations’s industry to foreign trade, eliminate those stodgy old tariffs and welcome foreign ownership without limit; wipe away national borders to commerce; let the market set prices on everything from electricity to water; and let the arbitrageurs direct our investments. ... cut public pensions, cut welfare, cut subsidies; let politics shrink and let the marketplace guide us. (Palast, 2003, p. 142).

This has lead to a dramatic restructuring of companies since the 1980s, aided by the increasing use of information technology and e-business and a growing acceptance by companies of the need to focus on core business skills and processes and to spin off or “outsource” non core processes.

Companies also now have to compete in new ways and this competition is “characterised by the emergence of brand owning companies that devote their energies to meeting customer requirements and driving product innovation” (p. xvi). Because of the over abundance of goods produced, competition between producers is now more intense and it pays to dominate the market and smash competitors. These brand-owning companies form alliances with efficient companies that supply goods to the brand companies or distribute them for them. There is continuous refinement of marketing and customer ownership strategies.

Companies no longer need to own the physical capital of production capacity because goods as such are now less important, partly because there are now lots and lots of them (in wealthy countries) and partly because now many commodities can, through transfer of technology, be produced in other (poorer) countries. Rather, companies now need to dominate and manage a market or network of competing producers (often in these poorer countries) and suppliers from whom they continuously select and reselect the most efficient players and discard the inefficient ones (Means and Schneider, p. xix).

A simple example of what this means is that a shoe making company no longer needs to actually make shoes in the United States of America or Europe. Rather it contracts factories and sweatshops in the China, Indonesia or Vietnam and other so-called Third World countries to produce them at the cheapest possible price. These external manufacturers are expected to be more efficient than when equivalent services were provided in-company. “Companies that were traditionally satisfied with a 100 percent markup between the cost of factory production and the retail price have been scouring the globe for factories that can make their products so inexpensively that the markup is closer to 400 percent.” (Klein, 2000, pp. 196-197). Hence, labour costs are an ever decreasing share of total manufacturing costs. Workers earn less as profits for the owners soar.

With the actual production of goods (and many services) now “outsourced”and cheaper, companies now had more money to spend on marketing and branding. Indeed from the mid-1980s management theorists began to argue that successful corporations *must* primarily produce brands, as opposed to products. The “spinning off manufacturing and related operating processes, generally to an outsourced network, frees up enormous amounts of capital that can be focused on brand development, customer ownership, supply network management, and other industry leadership processes.” (Means and Schneider, p. 7). “New investments tend to focus on customer ownership, customer management, brand ownership, and related marketcentric requirements. And the market tends to reward with high multiples those companies that have the flexibility and discipline to master these skills.” (p. 8).

Klein (2000, pp. 194-220) describes what actually happens in this process. Brand leaders have systematically rid themselves of factories that produce the goods they sell. Because building the brands is costly: sponsorships, packaging, expansion and advertising, buying up distribution and retail channels, these companies want to cut costs on the actual production of the goods, which they do by closing factories in their own countries (where unionised labour is protected by various labour laws) and outsourcing the production to factories and sweat shops in export processing zones in third world countries with cheap labour, low taxes and rates, and few regulations to protect workers, apart from general human rights abuses and suppressions of labour unions: Indonesia, Phillippines, China, Vietnam, Mexico (and previously South Korea and Taiwan).

Examples of companies that went this route include Nike and Adidas. Klein (2000, p. 197) characterises Nike as a "company that pioneered the business philosophy of no-limits spending on branding, coupled with a near-total divestment of the contract workers that make its shoes in tucked-away factories. ...[and of] the old-fashioned idea that a manufacturer is responsible for its own workforce." Adidas followed suit, turning over its operation in 1993 to a former advertising executive and, after announcing that it wanted to "capture the heart of the "global teenager," shut down the company-owned factories in Germany (except for a global technology centre), and moved to contracting-out in Asia. "Freed from the chains of production, the company had newfound time and money to create a Nike-style brand image." (Klein, 2000, p. 198-199).

However, even though production has been outsourced, brand leaders still need to make use, directly or indirectly through franchises or other outlets, of clerical and sales staff for distribution and retailing. But there has been an enforced casualisation of such labour: part-timers, temporary workers, students, young people and freelancers with no benefits or security. There has been a huge growth in this service sector (in the United States of America services and retail now account for over 75% of the employed, more than in most countries and nearly five times as many people work selling clothes in department and speciality stores as make the clothes), and in the percentage of non-full time and temporary workers within the sector. "The annual turnover rate in the fast food industry is now about 300 to 400 percent. The typical fast food worker quits or is fired every three to four months." (Schlosser, p. 73). Klein (2000, p. 275) notes that "Youth style and attitude are among the most effective wealth generators in our entertainment economy, but real live youth are being used around the world to pioneer a new kind of disposable workforce." The brand companies are also fiercely anti-union. In the early 2000s there was only one unionised McDonald's outlet out of 15,000 in the whole of North America and it was deliberately closed down (Schlosser, 2001, pp. 76-77) and not one of Wal-Mart's 2,450 stores were unionised (Palast, 2003, p. 209)!

It is easy to see why Klein (2000, p. 261) argues that the transnational brand leader companies are associated not only with the worst jobs but with 'No Jobs':

> Transnational corporations, which control more than 33 percent of the world's productive assets, account for only 5 percent of the world's direct employment. And although the total assets of the world's one hundred largest corporations increased by 288 percent between 1990 and 1997, the number of people those corporations employed grew by less than 9 percent during that same period of tremendous growth.

In the period 1980 to 1995 the transnational corporation assets grew by a whopping 697% and employment fell by 7.6%!

All this led to an astronomical growth in the wealth and cultural influence of transnational corporations.

Brands to the forefront

Producing goods was now only an incidental part of these companies' operations. For what these companies now produced were primarily not things, but *images* of their brands. Their real work lay not in manufacturing but in marketing.

Many of today's best-known manufacturers no longer produce products and advertise what they have invented (like the Smart Phones) or mass produced (e.g. breakfast cereals, washing powder, motor cars). Rather, they buy products cheaply, "brand" them, and then resell them at high profit. Hence these companies are forever on the prowl for creative ways to build and strengthen their brand images (often by advertising the brand name itself).

These developments were in turn aided by the development of the large supermarkets and hypermarkets (that provide the essentials of life and monopolize most of the market and which have deliberately destroying countless small local stores in the process (in the United States of America Wal-Mart, in South Africa Shoprite/ Checkers and Pick n' Pay, Game, Makro, etc.)) and the more up-market malls where the extra-premium, "attitude" brands that provide the essentials of lifestyle are sold and monopolize ever-expanding stretches of cultural space.

The impact of the new capitalism on society

Apart from the already described impact on jobs and the nature of employment by the brand leader companies and the obvious overt and covert influences that brand related advertising has on the psyches of individuals, a number of writers have identified the following features of modern society as influenced by the new "meta" capitalism:

1. the waning of "ordinary" middle-class people
2. the decline of public space
3. the decline of real choice
4. the importance of design and designing (as against manufacturing)
5. the engineering of identities, affinity groups, and networks.

The waning of "ordinary middle-class" people

As noted above, there has been a new growth of an insecure working class of temporary, part-time workers, especially in the service sector. New and more efficient management methods and new electronic technologies eliminate many of the posts and skills that were needed in the old capitalism. These temporary "gig" workers can no longer expect to find a secure permanent job for life. They have to develop a portfolio of "the skills, achievements, and previous experiences that a person owns and that he or she can arrange and rearrange (in terms of a literal or metaphorical portfolio) to sell him or herself for new opportunities in changed times." (Gee, 2000).

However, what is perhaps more important is the weakening of the previous cultural hegemony of the middle classes and the concept of public citizenship (and public education) that is associated with them. In the new capitalism, the concept of the ordinary middle class citizen is under assault. There is a new media stress on *difference* and *multiple identities* and the acceptance as ‘natural’ of the enormous disparities of wealth and the segregation of the wealthy from the less wealthy. In such a future the dominant hegemonic force in society will be “centred not on “ordinary people” and “middle-classness”, but on the interests, values, and new (though patronizing) civic-mindedness of a relatively small group of quite wealthy people with distinctive identities, lifestyles, and locations in social and physical space.” (Gee, 2000).

The decline of public space

Klein (2000, p. xxi) argues that there has been a:

> surrender of culture and education to marketing ... [and that] the promise of a vastly increased array of cultural choice was betrayed by the forces of mergers, predatory franchising, synergy and corporate censorship ... [and] labour market trends that are creating increasingly tenuous relationships to employment for many workers ...[altogether combining in] the assault on the three social pillars of employment, civil liberties and civic space.

Advertising and marketing now intrude on every waking aspect of our lives. Previously public institutions and facilities and spaces are privatised and brand logo-ised. Corporate sponsors dominate the worlds of commercialised sport, music and art. The social media accessed through our smart phones are a open conduit for the advertisers to dominate even more of our lives. As corporate taxes are dramatically lowered, the tax base is eroded and gradually the public sector is starved out (this can be seen very obviously in the struggle of public universities in South Africa to keep solvent). At a quite physical level, the huge enclosed spaces of the mall and the superstore are no longer spaces open to the demonstrator or the public march.

The decline of real choice

This is seen in the strong homogenization tendencies of the new global economy and the determination of the corporate world to limit real choice (including *de facto* censorship by the media in the interests of the brand leaders and the *de facto* control of most print media, most broadcast media and all social media by advertising interests). This is not contradictory of the superficial media stress on difference and multiple identities but virtually its flip side, for in practice conformity is encouraged and rebellion faked. There is growing corporate intolerance of resistance, cynicism, critique and real individuality.

The importance of design and designing (as against manufacturing)

Profits are now made largely by cultural design rather than manufacturing *per se*. The new capitalism reaps large rewards through its ability to design and engineer *identities*, *affinity groups*, and *networks*.

Gee (2000) and Rifkin (2000) argue that the brand-based companies design products or services so that they create or take advantage of a specific identity connected to specific sorts of consumers (and one and the same individual might constitute several different types of consumer). In turn, the business seeks through its hold on or relationship with this identity to sell the consumer ever newer variations on products and services.

> The product or service itself is not the important element here. After all, many products (as commodities) are getting cheaper and cheaper to make (as the cost of materials – and most especially computer chips – gets lower and lower) and many services don't involve any material objects at all. What is important is the identity and relationship that are associated with the product or service. (Gee, 2000).

These identities are not just designed and set up at an individual level, they are also constructed for groups of people who come to see themselves as sharing some affinity, whether in their workplace or in their leisure time. Sports Utility Vehicle owners, wearers of Armani suits, members of an elite guarded-gate residential community, users of Amazon.com, or skate boarders constitute affinity groups that share practices, patterns of consumption, and ongoing relationships to specific businesses and organizations. Because such new affinity groups have people who affiliate with one another not primarily in terms of shared culture, sexr, or ethnicity, but in terms of a common consumption patterns, sense of identity, and distinctive practices, outside of this group they may not share much in the way of interests and values.

On an even wider scale, networks are designed across affinity groups. Some of these networks are technologically driven (as in the computer networks).

> In fast changing times and markets, the more nodes to which one is connected, the more information one receives and the faster one can adapt and change. Thus, today, businesses create (or leverage) consumer identities and affinity groups and then network them to other businesses and other such groups. Businesses network their suppliers and consumers with themselves. Businesses also network their different internal communities of practice and they network their specific communities of practices with other similar communities of practice in other businesses and institutions. Networks are not crucial to businesses alone. Individuals – who are encouraged to think of themselves as businesses on their own, selling their own unique portfolio of achievements, skills, and experiences – network themselves to other individuals and organizations across the country and the world. (Gee, 2000).

Many of these large networks link people of very different kinds together and these links are accordingly relatively weak:

> unlike the strong bonds that people tend to have with those with whom they are familiar and with whom they share a good deal. We come, more and more, to live in a world of many weak links, rather than a few strong ones. This is aided and abetted by the increased *mobility* of new capitalist shape-shifting portfolio people, who move, either physically or virtually, from place to place, creating multiple diffuse weak links to other people and organizations (Bauman, 1998). In fact, in the new capitalist world, mobility is a form and source of power. The mobile classes often leave it to the locals (people who cannot get out or who have few links beyond their area) to clean up (or live with) the messes they have left behind. (Gee, 2000).

A heavily networked world has one large drawback. Each person and organization gets bombarded with so much information that *attention* is overloaded. This is why, in the new capitalism, gaining and holding *attention* (for a while) is an absolutely essential resource. A business that, even if it loses money on a product or service, can gain and hold attention has a valuable resource that it can then sell to other businesses. In the old capitalism, materials and "natural resources" were key resources over which businesses fought economic wars and countries sometimes fought military wars. In the new capitalism, attention is a key resource over which economic wars, at least, are being and will be fought.

The rise of the social media

In the 20th Century the main medium through which advertisers reached an audience was first through newspapers and magazines and then through television. In the 21st Century it was the time of the smartphone which, apart from being a means of mobile telephonic communication was, in essence, a miniature computer that could link to the internet (the global network of interconnected computer networks through which the World Wide Web (WWW), the collection of web pages, could be accessed. In 2007 the Apple iPhone was the first phone with design targeted at the mass market that became typical of all smart phones, using a large touchscreen for direct finger input.

The smartphone was the means by which advertisers could now have direct access to potential customers. But how to get their direct attention? The answer was to offer "free"services that people would want to use and to which adverts could be attached, 'monetising' the service into a profitable business.

Thus, Google (in 1998) which offered a free search facility to find information on the World Wide Web, then Gmail (in 2004) a free email service that enabled the Google company to gain access to your list of email contacts, Facebook (2003) a social network, which also gained access to all the user's contacts, and similar messenger applications such as WhatApp (2014) (owned by Facebook) and the video services YouTube (2006) (owned by Google) and Instagram (2010) (owned by Facebook) and

TikTok (2017). Selling advertising space on these “free” services made two companies in particular, Google (now called Alphabet) and Facebook (now Meta), the most profitable of all time.

So far, fairly morally neutral. Facebook, Whatsapp, Google, and YouTube set up “free” services (and in many ways most useful ones) as a way of building a platform on which to place adverts. You pay for that service by being exposed to a whole lot of adverts and giving them contact details of your friends (maybe that is not so moral)..

But having a profitable platform on which to place adverts was only the beginning. By astute use of computer technology these companies were able to generate astonishing amount of data on every person using the applications (and cross-linking it with the data on the person in your contact lists). Computer algorithms (a sequence of instructions given to the computer to go through a series of defined steps to analyze large data sets and make predictions) could now be applied to that data. This analyzed data is now sold to advertisers (and sometimes to politicians and lobbyists).

It all starts with the algorithms that are used to analyse all the words and key phrases in the messages you make on social media (except for a few such as Signal, which don’t), categorises them, and adds them to the personal profile they build up on you (and which is also linked to the profiles of all your contacts – the social media know what your friends think and what they buy because they know who your friends are from Facebook and who your contacts are because they have all your contacts on your email and WhatsApp (and you gave them permission to do this – it was in the small print of the agreement when you downloaded the app).

That profile can then be used to direct appropriate advertising to the social media and websites you use. So, for example, if you often message about clothing, you will see more and more adverts about clothing and fashion. It is called targeted advertising.

It is at the next stage that the real trouble starts.

The more adverts you get to look at the better for the advertiser and the better for the social media that sell the advertising space. So the trick is to ensure that people spend as much time on the social media as possible and move as fast as possible from one item to the next. You are likely to do that if you already have engaged with that sort of content, it is already being discussed by your friends on social media, conforms to you biases, grievances, insecurities, and phantasies, is emotive and makes you outraged, angry or envious (and remember the social media know what your friends think).

So the way the algorithm works out is to provide “click bait” to keep you engaged and the inevitable effect of following that “click bait” is to become encased in a “confirmation bias bubble” that usually ends up encouraging our worst attitudes and feelings, insecurities and desires.

Research in the last decade has shown the devastating toxic impact many of these apps, particularly Instagram, has had on teenage girls and boys, making them feel bad about themselves and their bodies. In October 2024 lawsuits were filed against TikTok in the United States of America alleging that it “addicted” young people and harmed their mental health. The lawsuits specified its endlessly scrolling feed of content, offering “beauty filters”, TikTok “challenge” videos that sometimes encourage users to engage in risky behaviour, and late-night push notifications that disrupt young people’s sleep.

A further factor that makes things worse is that because the aim of these media is rapid movement, pieces tend to be short, untaxing on the mind, with no incentive to read about qualifications, nuances or criticism and alternative views or to have facts checked. What is concerning is that there is now overwhelming evidence that the social media, the most prominent of which are Facebook, WhatsApp and Instagram (all owned by one firm and man) and Twitter (now X), communicate falsity and untruth far more effectively and speedily than truth. They are massive purveyors of **mis**information (incorrect information but which the sender thought was true), **dis**information (information which the sender knows to be untrue), and **mal**information (false information designed to cause direct harm). A good example of this is what was on the social media in Africa during the Covid pandemic.

A rigorous scientific study by the University of Cape Town on vaccine information in South Africa, Ghana, Kenya, Senegal, Nigeria and Tanzania found this:

Anti-vaccination propaganda (21%)
Vaccine sceptics (20%)
Vaccine hesitant (35%)
Neutral information (10%)
Pro-vaccination material (13%)

So over three-quarters of the information was mis-, dis- or mal-information about a matter of life and death. Most of the false information came from South Africa.

The final issue is why have the social media not used their immense technical capability to fix at least some of these problems? The reason is simple and horrific. They want to keep making bigger and bigger profits.

What are our options? We can get off the social media entirely (the ascetic option) or only use those that are not tied to the adverting cesspit (such as the messaging app called Signal). Or we can use them with extreme caution, always being alert for mis- and disinformation (and correcting such false information when you get it from friends’ posts), or on the macro-scale, work for a society in which riches and profit are not the major drivers and in which social media would be advert free public utilities.

However, the power of the whole meta-capitalist and social media machine is immense, as summarised by Hart (2024, p. 552):

> Doesn't it seem as if the world down there – among the prosperous nations, but also increasingly everywhere – is becoming a single, ubiquitous machine: limitlessly various and yet deadeningly uniform, an incessant engine of material production and consumption and stupefying spectacle, a vast cybernetic system – at once technological, social, ideological, commercial, cultural, and economic –for generating ever newer factitious material desires, and for sustaining a virtual order of purely economic relations, and for integrating humanity into itself ever more inextricably . . . fragmenting societies and psychologies and attention spans with its ceaseless torrents of vapid exhortations to acquisition? It seems so obvious that it's almost a banality to call attention to it. It's a reality that confines the better part of social life to a very specific set of commercial functions and that's already succeeded in converting all of nature into little more than a reserve of material resources to be exploited . . . with, of course, increasingly devastating results.

The context of globalization

The rise to dominance of the new meta-capitalism and its social media consorts has taken place in the context of increasing globalization. The nature of the relationship between meta-capitalism and globalization is a vexed one and understanding this relationship is influenced by the varied definitions of globalization.

What is globalization?

Globalization is a contested concept. Generally, most definitions start by stating that globalization means that global linkages increase, social life is influenced on a global scale and people are increasingly aware that they are part of a world society in which the constraints of local geography and social and cultural arrangements are less important. The following from the South African Ministry of Education in its *Education White Paper on Further Education and Training* (Ministry of Education, 1998, p. 49) is fairly typical of such rather benign definitions of globalization:

> the increasing intensification of world-wide social and economic relations, which link the distant places and communities in a network of interdependence and interactions such that local events are influenced by remote events and world affairs and, conversely, affected by things that occur in local, national or regional contexts

Such definitions suggest that globalization is largely about better trade, exchange of technology, the movement of money and labour, and better communication between nations and that globalization, in spite of some problems, is for the good of all.

However, the meaning of current globalization is open to several interpretations. Some view globalization as a process that is beneficial – a key to future world economic development – and also inevitable and irreversible. Others regard it with hostility, even fear, believing that it increases inequality within nations and between nations. They believe it threatens employment and living standards and prevents social progress.

Lechner (2009) has suggested that there are three main ways of looking at globalization, as:

- a world economic system,
- a world polity
- a world culture.

Globalization as a world economic system

In this view, globalization is the completion of the process that has taken several centuries by which the capitalist world system has spread worldwide. The basic linkages between the parts of this world system are economic and its coexists with a variety of national political systems. It is an economic system that concentrates on endless accumulation of capital and the commodification of everything for sale in the market for profit (even if this leads to a loss of human qualities).

Supporters of this new capitalist world order see it as inevitable and irreversible.

Critics see this drive towards a globalized capitalist economic system as being dominated by supranational corporate trade and banking institutions that are not accountable to democratic processes or national governments. It is a deliberate ideological project of economic liberalization that subjects states and individuals to more intense market forces. Such critics usually argue that this world economic system faces unresolvable crises and will eventually collapse.

Globalization as a world polity

The term polity refers to political or governmental organization and authority. In this view globalization is about a new form of world political or governmental organizational culture. There is now a rationalized world order that shapes institutional and cultural bodies. Most nations now share common frameworks about governments, the settling of international disputes, schooling and education, notions of citizenship and the identity of individuals. It is largely though models that globalization imposes this new order – it defines actors (e.g. nation states, individuals), purposes (e.g. development, progress) and principles (e.g. human rights, justice). The major organizations that make this order happen are international governmental organizations (e.g. the United Nations), nation states, voluntary associations, NGOs, interest groups and social movements, and scientific and professional experts. Though this world polity has become common and is supported by many transnational groups (from the United Nations to transnational non-governmental organizations) there are regional differences and contradictions (for example, in relation to human rights and the balance between freedom and equality). Some argue that this new world polity in fact engenders new political and social problems and creates new conflicts. More positively, there are strong incentives to change and conform to universal principles and NGOs can be a force for change as they criticise, lobby and convince nation states to act on these principles.

However, the 2020s have shown how fragile the supposed unified global world order is, with open conflict between Europe and North America versus Russia being played out in Ukraine and Western Asia in turmoil because of the actions of the genocidal Israeli state in Palestine, and a major economic split between the West and the BRICS nations (Brazil, Russia, India, China and South Africa and their allies).

Globalization as world culture

In this view globalization is best seen as the move towards the world being seen as a single place with an increasingly common culture. International communications, transportation and conflicts have intensified relationships across national and societal boundaries. Countries and regional and local cultures have been relativised as they become conscious of themselves as only part of a greater whole. However, the comparison and confrontation of contending world views create new cultural conflicts (seen for example in the rise of so-called Islamic fundamentalism) and the world culture is not harmonious. Globalization also provokes reaction and resistance (which may also take global forms (as also seen in Islamic fundamentalism). Critics often argue that this world culture leads to cultural homogeneity and is largely a matter of the spread of North American culture.

Globalization, for and against

Proponents of globalization argue that trade liberalisation is good. Markets promote efficiency through competition and the division of labour. Market orientated specialisation allows people and economies to focus on what they do best and in a world economy they can sell their products in markets around the world. Free trade means that countries can have access to more money and more technology. Imported goods are cheaper. There are more opportunities to export local goods. It is recognized that markets do not always ensure that the benefits are shared by all and poorer countries may need the support of the international community as they adopt new economic policies.

Certainly, modern globalization has seen powerful examples of worldwide development. However globalization is very uneven in its impacts. Some countries (notably in Eastern Asia) have become integrated into the global economy rapidly and have done well – their economies have grown, poverty has been reduced, and progress made in democratisation. By contrast, many countries in Latin America and Africa have economies that stagnated or declined and poverty increased.

In the 1990s there were a number of severe economic crises in national and the world economies, many related to the large amounts of money (capital) being moved around the world in unpredictable ways in the pursuit of profit. There are also major social, economic, and environmental problems created by poverty, exploitation and the unsustainable use of natural resources. Major policy changes would be needed to build strong economies, a stronger world financial system, and solve the problems of pollution, global warming, deforestation, etc. Critics of the current forms of globalization have argued that it makes inequality worse and does not really reduce poverty. Though Western countries are richer than before, the gaps between rich and poor countries, and rich and poor people within countries, have grown. Many poorer countries that are being encouraged to integrate with the global economy are in danger of becoming worse off than before.

The reality of globalization was summed up rather well in this piece authored by a South African soon after the death of Princess Diana in 1997:

Question: What is the truest definition of Globalization?

Answer: Princess Diana's death.

Question: How come?

Answer:

An English princess
with an Egyptian boyfriend
crashes in a French tunnel,
driving a German car
with a Dutch engine,
driven by a Belgian who was drunk
on Scottish whiskey,
followed closely by Italian Paparazzi,
on Japanese motorcycles,
treated by an American doctor,
using Brazilian medicines!
And this is sent to you by a South African,
using Bill Gates' technology,
and you're probably reading this on one of the IBM clones, that use
Taiwanese-made chips, and a Korean-made monitor,
assembled by Bangladeshi workers
in a Singapore plant,
transported by lorries driven by Indians,
hijacked by Indonesians,
unloaded by Sicilian longshoremen,
trucked by Mexican illegals,
and finally sold to you by Jews.
That, my friend, is Globalization!

Postscript - the rise of techno feudalism

What has been described in the preceding sections is of how advertising has been used to get people's attention (and increase their desire to consume) what was available for sale in the markets of the world, markets now expanded through globalisation and the digital revolution. But successful advertising, in the print media, billboards or broadcast media, though it might convince the viewer to buyt something they did not really need, still required the buyer to physically go out and buy the product from a shop or market.

It is now being argued (e.g. by Varoufakis, 2023) that the major social media platforms (Facebook, Google WhatsApp, Twitter (X), TikTok, etc.), whose immense profits are built on the sale of advertising on these platforms, are ushering in a post-capitalist economy and indeed world order described as techno feudalism (feudalism was the medieval-era regime in which ordinary people (serfs, peasants) served a local lord through their farming and labour in return for being allowed to live in the lord's domain and be protected from attack).

We now hand over our personal data to the techno overlords who store it in massive computer server farms (the so-called 'cloud'). By scrolling and browsing the social media people act as unpaid producers of data to benefit the techno overlords. People now provide free data generation, content creation, and online engagement, all of which are monetized by the platform owners. We act as unpaid trainers of the algorithms used to analyse the data so that the companies find out what we like and then the algorithm trains us in return to like what it offers - it relentlessly modifies our behaviour.

Next, you do not have to go out a buy the product, you click a button and it is shipped to you by Amazon. So the techno lords are gaining unprecedented wealth and power by controlling vast amounts of data about us. The use that power to control the economy, politics and culture.

At the same time, the supposed services they offer us, such as Google search, progressively decline in usefulness as they are moulded to prioritize advertisers, a process that Cory Doctorow (2025) has called *enshittification.*

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Reading 1

Shein: Fast fashion, sacred cows and an AI turbocharge

Steven Boykey Sidley

Daily Maverick 22 September 2024

You know those ads for fancy-looking apparel that seem to appear with irritating frequency on Facebook and other social media? I don't buy clothes online so I generally just scroll on, or sometimes ask Facebook to "show less" of them, which never seems to make any difference. The ads are persistent and the variety of items on offer is both startlingly diverse and, at least to my untrained eye, extremely trendy (the very word "trendy" will surely mark me as hopelessly outside the target demographic).

Anyhow, I didn't pay much attention to this sector until I read that Shein (pronounced "she in"), one of the most visible social media-savvy fashion retailers, is on track to become the biggest online clothes retailer in the world. Within 12 months it is expected to outstrip the two better-known giants, Amazon and Walmart, with sales that will exceed $9-billion.

Say what? No one had ever heard of Shein a couple of years ago, at least not where I live. Shein started life in China in 2008 as Nanjing Dianwei Information Technology, before pivoting to selling wedding dresses online, and then all fashion apparel. Around 2019 it ramped up its use of leading-edge software technologies like AI and quickly became the largest whale in the sea.

How did this happen?

The answer lies in this astonishing fact: Shein owns no assets. No factories, no textiles, no machines, no trucks, no stores. It is, to put it simply, an orchestrator of other people's assets. And it's all driven by software and, increasingly, AI.

Shein has built the world's largest online clothing retailer with, in essence, little more than a laptop. An oversimplification, certainly, but it's not too far from the truth.

Here is the business model: Shein's smart data and AI software continuously sniff through social media and the rest of the vast internet, in real-time, to see what is hot (and what is not) by analysing posts — shares, likes, sentiments and purchases. That information is instantaneously sent to a slew of designers who use smart design software to come up with design ideas at a reputed rate of 6,000-10,000 items per day. That is not a typo. Per day.

These designs are instantly outsourced to a number of the 6,000 small to medium-sized manufacturers with whom Shein has a relationship, and small-batch runs are commissioned. These companies are happy to take orders for as few as 50 or so units, which would be uneconomical for a large manufacturer. Shein pays within a week, rather than within the traditional 90 days, so smaller manufacturers are thrilled to do business with it.

The manufacturers are also connected to Shein's cloud software, which can monitor the manufacturing process in real time.

Many thousands of new items are simultaneously advertised in the online wild — on Facebook, TikTok, Instagram, Twitter et al, often with the boost and bark of well-paid influencers. As soon as orders start coming in, Shein automatically (brutally) culls the losers — fewer than 6% make it past 90 days.

Finally, a series of logistics companies, also connected to the same cloud, ship the items to Shein's central warehouse and from there to customers — within hours of order placement. (Shein used to ship only from its warehouse in Nanjing, China, which made international delivery times maddeningly long; it has since established multiple international warehouses.)

Virtuous circle

This all amounts to a very virtuous circle. Everyone seems happy — the company, its suppliers and partners, and consumers (excluding those of us who like going into stores to buy clothes, looking like wanderers from a distant era).

Speed, cost, choice — it wins on all fronts. What more could a consumer ask for? Zara might have pioneered fast fashion, but Shein has perfected and turbocharged it, making competitors seem positively torpid in comparison.

It has not been all smooth sailing though. Shein has had a fair amount of bad press, ranging from accusations of tax avoidance to environmental neglect (it relies heavily on airfreight) to its choice of less-than-labour-friendly manufacturing partners.

Also, there has been a lot of grumbling about the company aiding and abetting overconsumption, although I roll my eyes a bit at that one. (An article in Time magazine was published that digs deep into multiple criticisms of Shein's business practices before reluctantly concluding that it may yet be on the way to becoming a better corporate citizen.)

Stitched together with code

Marc Andreessen, the famed US venture capitalist and inventor of the first browser, wrote an iconic blog in 2011 titled “Software is Eating the World”. The blog made headlines for weeks — with reactions ranging from derision to “duh, obviously”. But, with the added spice of AI (software’s new emissary), Shein is a crystallised example of what Andreessen was referring to. Other than the fact that there are real physical products at the end of the chain, the whole enterprise is stitched together with code. All of it.

Which is, of course, the bigger story. As AI continues its dizzying rate of innovation, it seems as if businesses which do not follow this model will simply stumble and fall.

Quickly

Over the past five years, Shein’s revenues have gone from $3-billion to $32-billion and its users have increased from three million to 90 million within an industry where some sacred cows have always been uncontestable — you must have a global brand, you must have a celebrity designer, you must have a flagship store, you must have prestige merchandise positioning in your stores, you must produce at scale to keep costs down, you must spend a fortune on advertising and you must lead the pubic with your inimitable style.

All wrong. The public tells Shein what they want.

The rest is code.

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Reading 2

Behind the screen: why we need to pause and rethink our online habits

Kavisha Pillay

Daily Maverick 10 October 2024

World Mental Health Day is on 10 October 2024, and October marks Mental Health Awareness Month in South Africa, a nation that faces significantly higher rates of depression and anxiety than many other countries in the world.

While socioeconomic factors and adverse childhood experiences are well established contributors to the mental health crisis in South Africa and beyond, social media is becoming a growing factor that can negatively affect one's mental well being.

If you are a social media user, you have probably experienced that feeling while scrolling through your feeds, filled with others seemingly living their best lives: jetting off on those idyllic holidays, buying a new car, having incredible life experiences, celebrating personal, professional, or academic milestones, or eating the right diet and going to gym every day.

It is those feelings of comparison, of missing out, of falling behind that can lead to anxiety, a lower sense of self-worth, and even depression.

Let's be clear, not all experiences on social media are harmful.

Platforms can serve as powerful tools for connection, education, and inspiration.

From creating global communities around shared interests, to amplifying important social causes, social media has contributed towards positive changes for many and has brought people together in meaningful ways.

However, while the benefits are real, it's crucial to understand and repeat again the risks that come with unregulated exposure and over-consumption of content, including the potential for misinformation, harmful comparisons, and addictive behaviours.

Digital dopamine dealers

Social media algorithms are the invisible, powerful force behind our scrolling. They have been designed to keep us engaged far longer than we intend.

By analysing our behaviour — what we like, share, and linger on — these algorithms direct content to us that is tailored to our preferences, drawing us deeper into an infinite loop of dopamine hits.

Dopamine is a chemical messenger produced by brain cells, and plays a role in numerous physical and mental functions, including pleasure and reward, motivation, and addiction.

Every new post, meme, or video is strategically served to keep us hooked, triggering the brain's reward centre in the same way that addictive substances do.

This relentless stream of personalised content not only monopolises our time, but also shapes our worldview, narrowing our perspectives and fuelling a fear of missing out.

The more we scroll, the more data the algorithms collect, making them even more precise in predicting what will keep us glued to the screen.

It's a cycle designed for profit, but at the cost of our attention, wellbeing, and sometimes even our mental health.

Sean Parker, Facebook's former president, said at a 2017 media conference:

> "The thought process that goes into building these applications was all about, how do we consume as much of your time and conscious attention as possible? We needed to sort of give you a little dopamine hit every once in a while, because someone liked or commented on a photo or a post or whatever."

Parker further added that "it literally changes your relationship with society, with each other. It probably interferes with productivity in weird ways. God only knows what it's doing to our children's brains."

Nir Eyal, author of ***Hooked: How to Build Habit-Forming Products***, argues that the technologies we use, like smartphones and social media platforms, have evolved into compulsions, if not full-blown addictions. He said that the urge to check notifications or scroll through YouTube, Facebook, or X (formerly Twitter) for "just a few minutes" — only to get stuck for hours — was no accident. It was intentional, driven by psychological techniques designed to make us form habits.

Given that the content that we consume on social media has the power to shape our behaviours, thought patterns, and actions, it's important to treat these products with the caution that they deserve.

Just as cigarettes, alcohol, sugary foods, and gambling sites carry warning labels, social media platforms should come with clear warning signs alerting users to the dangers of addiction and the potential mental and emotional risks of excessively using these products.

A case for warning labels

In this vein, the Surgeon General of the United States, Dr Vivek Murthy, has called for warning labels to be placed on social media platforms.

Murthy notes that:

> "It is time to require a Surgeon General's warning label on social media platforms, stating that social media is associated with significant mental health harms for adolescents."

In a General Advisory, which calls for attention to an urgent public health issue, the Surgeon General notes that ages 10 to 19 are a critical time for brain development. During this phase, young people are especially sensitive to social pressures and peer comparisons, which shape their identity and self-worth.

Frequent social media use can affect brain regions like the amygdala (emotional learning) and prefrontal cortex (impulse control), making adolescents more sensitive to social feedback. This can result in lower life satisfaction, especially for girls aged 11-13 and boys aged 14-15. As a result, Dr Murthy notes that social media exposure during adolescence needs closer monitoring.

While much of the research on the link between social media use and declining mental health focuses on young people, the same triggers and emotional responses can affect older individuals as well, though perhaps to a lesser degree.

The pressures of comparison, exposure to misinformation, and the addictive nature of constant engagement can affect mental well being across all age groups.

Be mindful of social media pitfalls

Ultimately, the inclusion of warning labels on social media platforms won't be a silver bullet in resolving mental health issues, but it can help us become more mindful of our choices each time we pick up our phones.

This awareness is a crucial first step towards having a healthier relationship with the real world and our digital selves.

However, the true responsibility lies with tech companies that design their products with full knowledge of how they continually exploit our brain's dopamine system.

In this spirit, the Campaign On Digital Ethics (Code) urges you to approach social media content with the following warning labels in mind:

6. The information shared on these platforms may not be verified. Double-check sources before sharing or acting on it.
7. Prolonged exposure to unrealistic content can negatively affect body image, self-esteem, and mental health. Remember, most of what you see is curated, and not necessarily real life.
8. Platforms are designed to capture your attention and to keep you scrolling. Make sure that you take breaks and limit your screen time.
9. Platforms may expose you to harmful or abusive content. Use reporting tools and privacy settings to protect your digital well being.

Additionally, here are some practical tips to help you improve your mental well being:

10. You can limit your scrolling on Instagram, TikTok, and Threads by enabling screen-time limits, which prompt you to take regular breaks during your sessions.
11. Reduce the number of notifications that you receive on your phone, which can help to curb the constant need to check your device.
12. Unfollow accounts that trigger unhealthy comparisons or stress, and curate your feed to show more positive, educational, or calming content.
13. Use privacy settings and content filters to block or report harmful or abusive content that negatively affects your mental health.
14. Periodically take breaks from social media altogether. A digital detox, even for a short period, can help reduce stress, increase focus, and improve overall well being.
15. If social media is affecting your mental health, don’t hesitate to reach out to friends, family, mental health professionals, or the South African Depression and Anxiety Group for help and support.

Kavisha Pillay is a social justice activist and the founding director of the Campaign On Digital Ethics (Code).