



G L O B A L
B U S I N E S S
N E T W O R K

GBN AUSTRALIA BOOKCLUB

INTELLECTUAL TOOLS FOR THE YEARS AHEAD

There was a time, not that long ago, when one could not make any sort of defensible claim to being cultured or even civilised without committing oneself to the accumulation of a library of books over a life time. These books, and the shelves in the living room that held them, were not mere furniture, visitors to impress, but major resources for both our learning and entertainment. By the books that we read, we were known, for they shaped the way we thought, and what we thought about. The classics of fiction and non-fiction alike were the great agents of socialisation. We shared what it was that we were being entertained by in our reading, and what we were learning through such literature. It was from books that we learned about the life and times of heroes and heroines past, both real and created, and about the great events of history, just as it was from them that we found romantic endorsement from the star crossed lovers of fiction, and the intrigues of the worlds of the future of science fiction. With the books on hand in the house, we could return to them over and over again at our own convenience, to rediscover the joy of poetry, the humour of comedy, the whimsy of romance, the lore of the folk story, and the agony of tragedy. We could compare and contrast the nature of differing scientific theories through time, and reflect on their significance to the way we sought explanations for that which we experienced in the world about us – and what we came to accept as truth about the nature of the nature of which we were a part.

We could relate the happenings of today with the recorded patterns from the past, as we use classical explanations from the past to inform our actions in the present. We could also paradoxically use old texts for new understandings, as new meanings could be found with the changing contexts of our own experiences. All of this was the essence of what we might term scholarship.

Yet those are now themselves essentially days past. Many factors have together contributed to the decline of the significance of the printed word and the importance of the home library – not the least of these of course being the march of ‘technological progress’ and the all-pervasive nature of the artifacts of the electronic age. It is not that there is a marked reduction in the number of books available on the market nor indeed the volume of their sales. Both of these continue to increase across the globe. But with entire encyclopedias and the complete works of Shakespeare now accessible through CD Rom, with the almost infinite access to material through the internet and the world wide web, and with the sheer multitude of access to both fact and fiction provided through cable television and VCR technologies, the book has lost its centrality as a human resource. Furthermore, in this digital era we have become hungry for information rather than knowledge, where the shorter sound byte has replaced the lengthier text. We seem to have less and less time to read anyway, and this at a time when there is more and more and to read with the veritable explosion of knowledge and the relative ease for writers to get their material published.

Prima facie, it seems obvious that, as a book club, we should be calling for the restitution of the centrality of the book. This is after all, the business we are in. Yet it is not the loss of significance of the book *per se* that is a worry to us. The concern here is that with the diminution of the book as the central resource of the ‘civilised person’ comes the danger of the loss of the critical reflectiveness of the very act of reading, as well as an equivalent loss of the creative and imaginative processes with which it is so clearly associated. These matters in turn, could have very significant implications for our abilities to be both creative and informed, not only about the world around us at present, and how we might best deal with it, but perhaps of even greater significance, the worlds of tomorrow. As we have consistently argued here, foresight about the futures that we might encounter and the strategies that we might accordingly need to deal with the challenges that they will present, demands of us both creative imagination and critical analysis. Books themselves and the very act of reading them are crucial components in this process, which involves a synthesis of what we can learn by critically and reflectively looking around, looking back, and looking forward.

The selections this month fit within the genre of scholarly texts about ‘looking around’. We have chosen the first two parts of a trilogy by the sociologist Manuel Castells to exemplify the issues referred to above. In the first place, these are indeed scholarly books, combining careful research analysis with tightly logical interpretation. Secondly, their themes relate specifically to the dynamics and challenges of the information age. These two books, plus the third volume that will be reviewed at a later date, present arguments about the essential connections between technology, society, and the state, and how these are growing to be phenomenally different from those that prevailed in the past. By looking around, Castells gives us view into the future. The arguments are complex and need to be read carefully and reflectively, over time. These are truly ‘master books’ that therefore represent vital additions to the library of those concerned with serious analysis and critical thought about our ever-changing world.

The Information Age: Economy, Society and Culture e
Volume 1 The Rise of the Network Society

Manuel Castells, Blackwell Publishers 1997

The essential proposition of this, the first volume of Castell's trilogy, is that there is a very strong and pervasive trend towards the reorganisation of societies across the world, around networks of interconnected nodes. New societies and new cultures are in the making, shaping as well as being shaped by forces which are leading to the realisation of networks as highly dynamic open structures which are "able to expand without limits, integrating new nodes as long as they are able to communicate within the network, namely as long as they share the same communication codes (for example, values or performance goals)". These emerging social structures are thus able to extend themselves literally across the globe and are allowing two seemingly opposing trends — of globalisation and decentralisation — to occur concurrently. This conjunction of forces is in turn facilitating the spread of a capitalist economy which is increasingly marked by the need for high flexibility and adaptability of workers and the work that they do, as well as by cultures geared towards "the instant processing of new values and public moods". The creation of networked societies is being accompanied by "dramatic reorganizations of power relationships" as "switches connecting the networks (for example, financial flows taking control of media empires that influence political processes) are the privileged instruments of power. Thus the switchers are the power holders".

The context for Manuel Castells' thesis is that as we approach the end of the second millennium of the Christian era, "several events of historical significance have transformed the social landscape of human life". These include, he suggests, a technological revolution which is centred on information technologies, a new global interdependence of economies around the world, the collapse of Soviet statism and the subsequent demise of international Communism, and a profound restructuring of capitalism itself. This latter suggestion is characterised by such features as greater flexibility of management, decline of influence of the labour movement in the face of the substitution of capital for labour, the massive incorporation of women into the workforce under discriminatory work conditions, increased global competition, and wholesale dismantling of welfare states.

The information technologies are of course central to the author's thesis. The network society as he is describing it would be impossible without them. At one level of analysis, technologies have always been influential in shaping societies: "Indeed, the ability or inability of societies to master technologies, and particularly technologies that are strategically decisive in each historical period, largely shapes their destiny to the point where we could say that while technology *per se* does not determine historical evolution and societal change, technology (or the lack of it), embodies the capacity of societies to transform themselves..". In the present case, the information technology revolution "has been instrumental in allowing the implementation of a fundamental process of restructuring the capitalist system from the 1980s onwards". Castells devotes his entire opening chapter to the nature of this particular revolution, referring to its developmental history and the lessons learned for it from the industrial revolution which, beginning in the latter half of the eighteenth century, saw the introduction of an era in which culture began to dominate nature, in stark contrast to the reverse situation which had previously prevailed. This chapter concludes with the proposition that the information revolution is characterised by decisive qualities of "comprehensiveness, complexity, and networking". From this position he then turns to what he refers to as the informational economy and to the process of globalisation which accompanies its development. A global economy is, he suggests, something different: "it is an economy with the capacity to work as a unit in real time on a planetary scale". And that has all sorts of implications with respect to the nature of the nation state, to the whole concept of work, to rewards, to taxation, and to the very notion of productivity. Labour markets are not truly global, he suggests, save for a small band of particular professionals, but labour is a global resource in a number of ways, not the least of these being the flexibility of the location, by transnational corporations, of their factories anywhere in the world. This emerging global economy is developing its own culture, that transcends the cultures of specific societies, and the culture, institutions, and organisations of the informational economy are the topics of a further chapter. This is followed in turn, by chapters on the transformation of work and employment, the culture of virtual reality, the space of flows, and, perhaps most intriguing of all, timeless time.

Where the industrial age flipped the relationship between Culture and Nature, the informational age is being characterised by the situation where Culture refers only to Culture, "having superseded Nature to the point that Nature is artificially revived ("preserved") as a cultural form". "Because of the convergence of historical evolution and technological change, we have entered a purely cultural pattern of social interaction and social organization". And this is why information has become the key factor in social organisation and why "the flows of messages and images between networks, constitute the basic thread of social structure".

This is no light read, but a scholarly text for the library. Within its almost 500 pages, the author sets out and expands upon the foundations of his thesis that in 'looking around' at society these days, what we are seeing is the emergence of a truly new era in human history in which society is being reorganised into information-linked networks through the mechanism of those very networks themselves and the information that flows through them.

The world is really becoming global after all! ●

The Information Age: Economy, Society and Culture
Volume II The Power of Identity

Manuel Castells, Blackwell Publishers 1997

In this second volume of his trilogy on the information age, Manuel Castells turns his attention to the way that social movements and politics are influenced by the “interplay between technology-induced globalization, the power of identity (gender, religious, national, ethnic, territorial, socio-biological), and the institutions of the state.” The author’s position is that in addition to the transformation of capitalism and the demise of statism that have both been associated with, and influenced by, the revolution in informational technologies over the past twenty five years or so, we have also seen “the widespread surge of powerful expressions of collective identity that challenge globalization and cosmopolitanism on behalf of cultural singularity and people’s control over their lives and environment. In other words, as this brave new social world of global networks unfolds, individual people are seeking new forms of identity, especially as collectives. Clearly, a global economy and globalised societies and cultures, severely threaten the existence of traditional forms of social organisation such as the nation state. If we are not nationals, who are we? In a global society, what other opportunities exist for us to form novel forms of social collectives. Castells identifies a number of these opportunities, ranging from those, such as feminism and environmentalism, that are aimed at transforming human relations at their most fundamental levels, to those which, most significantly, represent resistances to the threats posed by the great forces of globalization. It is from examples drawn from this latter category that allows the author to assert his key thesis of this volume of his work: “subjects, if and when constructed, are not built on any longer on the basis of civil societies, that are in the process of disintegration, but as prolongation of communal resistance”. In this network era, we seek those communal relationships in which the theme for community arises as an expression of resistance to the changes which are beginning to prevail as a result of societal reorganisations.

Religious fundamentalism, the author suggests, is among the most obvious faces of this identity-through-resistance. The explosion of Islamic movements for instance, seems to be related, he argues, “to both the disruption of traditional societies (including the undermining of the traditional clergy), and to the failure of the nation-state, created by nationalist movements, to accomplish modernization, develop the economy, and/or to distribute the benefits of economic growth among the population at large”. Ironically, the expansion of fundamentalist movements such as Islam is facilitated by those very networks whose outcomes they otherwise resist.

Such resistance is not, of course, confined to religious movements, for, as Castells illustrates it is but one manifestation of his general thesis about the search for identity under circumstances where time-honoured relationships between cultures, nation states and technologies are changing, especially to the extent that they currently seem to be. The relationships between nations and states and their synthesis into nation states are among those that the author pursues as he seeks to explain these phenomena. Among his research topics here are those states, like the old Soviet Union, which fail to create nations, as well as nations which fail to achieve statehood, in the sense that they have no political status.

From his exploration of the phenomenon of resistance identity, where the forces for collectivisation are essentially reactive, and the author turns his attention to a number of specific ‘movements’ characterised by explicit opposition to the new global order of the 1990s. For his examples he chooses three such movements that have quite different cultural, economic and institutional contexts, while expressing themselves through sharply contrasting ideologies: the Zapatistas in Mexico, the American militia, and the Aum Shinrikyo in Japan. In spite of their profound differences, such “new social movements, in their diversity, react against globalization, and against its political agents, and act on the continuing process of informationalization by changing the cultural codes at the root of new social institutions.”

And so the theme is pursued: Through environmentalism, patriarchalism, the crisis of democracy, and international politics. All represent domains in which the informational age and the networked society, with which it associated, are having very significant impacts indeed. The emergent social networks are more than just organisers of activities and sharers of information. “They are the actual producers, and distributors of cultural codes”. And they are fueled by the power of identity.

Castell’s volumes are indeed worthy of places in our libraries of scholarly texts about the world about us, and how it seems to be changing even as we look. ●

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