Virtualization of Society and Glam-Capitalism

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Virtualization concept

- ‘Information society’ and ‘Knowledge society’ are utopian concepts ignoring the logic of social and cultural change
- The concept of ‘virtualization’ introduced in the 1990s is more adequate
- Virtualization is the replacement of real objects and actions by images and communications

Virtualization of society: traditional institutions prescribe doing real things and real acts but people instead operate with virtual objects – images, that makes social institutions a kind of virtual reality

Virtualization of social institutions:

- in economy the added value creation process depends more and more on virtual assets – brands rather than on traditional real assets
- in politics parties and other organizations lose their role in the struggle for power while virtual political power – image of candidate(s) becomes critically important
- in culture value and influence of scientific or art-projects is determined more by virtual creativity – promotion in communication networks than by real artistic or research activities
Virtualization of society and the role of digital technologies

- The logic of virtualization, being expanded into social life, stimulates the usage of computers in all domains of human life.
- Popular view of virtualization as computerization, as a process determined by technologies, is misleading.
- *It is not computerization that makes society virtualized, rather virtualization of society makes computerization the requirement for various human activities.*
- For the virtualization the most efficient technologies are those which provide:
  - work with images
  - building the networks
  - managing an access
- Such technologies are ICTs and because of that all ICTs are intensively used and integrated in social practices by the end of the 20th century.
all ICTs can provide transmittance of information – messages contributing to human knowledge

but communication as very social process i.e. symbolic exchange creating and maintaining relations and community is provided by computer multimedia much better than by the rest of ICTs

new ICTs based on digital network technologies provide:

- combination of text, visual images, video, and sound
- interaction in the real time and virtual space regime
- the 24/7 access to communication network
Virtualization technologies in contemporary Russia

The role of digital technologies is growing in the people life

- According to the national statistics (Rosstat) by 2012
  - there were about 70 computers per 100 households
  - there were about 40 computers per 100 workers (including 20 Internet-connected PCs)
- According to the survey by ‘All-Russian Center of Public Opinion’ (wciom.ru) in February of 2012
  - the Internet users were 55% of adult Russians, and 36% of them used the Internet every day
  - 82% of the Internet users had accounts in so called social networks (in 2010 – 53%)

But TV remains the dominant tool of virtualization

- 90% of adults mentioned TV among their sources of information, while Internet news lines were mentioned by 22%, and Internet forums and blogs only by 8% (survey by ‘Public Opinion Foundation’ (fom.ru) in 2012)
- 60% of adults chose TV as the ‘main source of news’, and Internet was chosen by only 23% (survey by ‘All-Russian Center of Public Opinion’ (wciom.ru) in 2013)

Different generations live in different virtual realities

- TV is source of information for 96% of ‘baby-boomers’ and for 81% of the ‘Generation Y’ respondents
- forums and blogs are sources of information for 2% of ‘baby-boomers’ and for 21% of the ‘Generation Y’ respondents
- 50% of the ‘Generation Y’ have chosen the Internet as the main source of news, and only 11% of ‘baby-boomers’ made the same choice
- TV is the main source of news for 34% of ‘Gen Y’ but for 72% of ‘baby-boomers’
Logic of glamour

By the late 1990s markets had been saturated by brands and intensive commoditization and capitalization of images has leaded to overbranding and triviality of virtualization strategy. That has provoked shift of competitive advantages to the glamour. Since the 1930s specific aesthetic form / lifestyle, glamour has become now rationality of newest version of capitalism. Glam-capitalism raises when producers at the hyper-competitive market place must glamour consumers and when goods / services must be aggressively beautiful to be intensively attractive for targeted groups. Value creation process now is related more to trends, than to brands, not only in traditional fashion industry and show business but also in high-tech and financial industries.
Glam industries

- Components of glamour as an aesthetic form or lifestyle are luxury, erotic, exotics, ‘pinkness’, and ‘blondness’

- Glamour-intensive production of trends is driven by the same ‘Big Five’ and provides extraordinary growth rates even in the general recession time

- Luxury industry,

- Sex industry,

- Hospitality industry,

- Fashion industry,

- Beauty industry...

- ... exemplify trans-industries using technologically different products as raw materials for creation of the specific added value
Glamour-industrial complex

- In the glam-capitalism system exploited are not workers but middle strata consumers
- Owners of trends and trend makers compose new status groups: glam-capitalists and glam-professionals, which are core of new modal strata above shrinking traditional middle class
- Despite of apology of glam-capitalists and glam-professionals as ‘creative class’ (R. Florida), capitalization of trends is based rather on copyright that is monopoly on mass production of practically costless copies priced like original
Bimodal stratification: from ‘lemon’ toward ‘pear’

by 2010
in USA households with annual income $120-250 thousand
In Russia households with monthly income RUR100-250 thousand

new modal strata

shrinking old middle strata

new poverty strata
## Bimodal stratification in Russia

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<td><strong>Average monthly</strong></td>
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<td>income per head,</td>
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<td>47319</td>
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<td>rubles ($1=RUR30)</td>
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<td>31,4</td>
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<td>20,2</td>
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<td>21,1</td>
<td>24,5</td>
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<td><strong>below 5000</strong></td>
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As image making and (re)branding have become common political technologies, virtualization of democratic institutions is shifted toward the glamour regime.

Traditional structures of civil society lose their role in the legitimization of the political power and governance structures.

Being interested in more bright and attractive images, politicians ignore values and life style of traditional middle strata and use logic of glamour.

New politics has the features which are those the aesthetics of glamour has:

- Bright and light images of a 'coolness' in the pop-stars style
- Presentations of 'super-projects' in top-managers style
- Electorate mobilization through mobile communications bringing simple content (campaigns through Web 2.0)
Technological turn to mobile communications

- Many social and cultural changes demonstrate the shift from the virtualization logic focused on brands and networks toward the glam-capitalism logic focused on trends and flow-structures.
- That shift from virtualization to glamour can be seen also in the main technological tendency of recent decade.
- 1981 - IBM introduced PC standard.
- 1989 - Web 1.0 where users get access to the sites designed by IT-professionals and by people with special skills.
- 1996 - Nokia introduced first communicators (predecessors of smartphones).
- 1999 - Web 2.0 where unskilled users get possibility to generate their own content on the sites-platforms provided by IT-professionals (the rise of so called social networks).
- During the 2000s the technological format ‘PC+Internet’ was displaced by the format ‘mobile gadget+Web 2.0’.
- In 2005 Worldwide shipments: about 140 m of desktops, 60 m of laptops, 50 m of smartphones.
- In 2010 global shipments: about 145 m of desktops, 200 m of laptops, 300 m of smartphones, and 12 m of tablets.
Alter-social movements

Newest capitalism provokes newest form of opposition
- Hackers and ‘pirates’ violating ‘intellectual’ property rights undermine regime of glam-capitalism
- Buying counterfeit / sharing files, consumers participate in anti-normative, anti-institutional movements which create an alternative both to antisocial glam and to habitual sociality
- Opposed to glam projects like ‘copy left’, ‘open source’, ‘creative commons’ etc. are manifestos of the authenticity revolt against virtuality and glamour
- Revolt of authenticity reinforcing functionality and competition against imagery and monopoly is general drive of many alter-social movements not only in economic domain but also in politics and culture
Alter-capitalism

- Reaction of glam-capitalism to alter-social movements is initially oppression and then absorption and exploitation of their creativity.
- Absorption of alter-social movements could be seen in:
  - open source used by big IT-corporations
  - ‘free’ access provided for the viewing advertisements
  - commercialization of torrents
  - stretching of luxury brands
  - ‘guerrilla stores’ and ‘guerrilla marketing’
- Creators of trends converging attitudes and patterns of glam-capitalism and alter-social movements do not restore authenticity against imagery but find value in fluid authenticity.
- Alter-capitalism is becoming an ‘after Baudrillard’ regime: capitalization of flow of originals without copies.
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