8. Globalization and distribution
8.5

The pervasiveness of ICT in our present modern world-system

Melsome Nelson-Richards, with the assistance of Kandu E. Agbimson

When Emmanuel Wallerstein embarked upon his world-system perspective, ICT was seldom in use, although by the time he completed the third of his three volumes, the technology had become a household name. Today, the driving force behind the capitalist global economy and hence the modern world-system is ICT. In the USA alone, the total related computer occupation is about 65 percent, and that of the EU is about 48 percent. Toward the end of the twentieth century, the world’s ICT market was worth about USD 1.8 trillion contrasted with USD 1.3 trillion five years earlier (OECD). This illustrates the tsunamic force of ICT. For the global economy to sustain itself in its present form, the present world-system must engage in a robust and continuous international competitiveness in the core, semi periphery, and the periphery on new methods of production and absorption of information. Active research and development are key to further growth, develop-ment, and productivity in the present world-system. The core engages in competitive programs and has comparative advantage. This comparative advantage is crucial to the rise and/or fall of a country or a region’s present and future use and innovation of ICT in the world-system.

Since ICT’s contribution to the world-economy can be observed in its effectiveness in digital arrangements and structures, it is more likely to enhance productivity. Currently, ICT-related industries have a higher productivity growth rate than non-ICT related industries. In 2008 the world ICT market was USD 3.1 trillion (www.eito.com/reposi.FreeDataSheets/ict-marketOverview-world). This can be retained only with on-going research, and specifically with R&D. No core country in the present world-system can afford to reduce its budget on R&D on ICT because it can be safely assumed that R&D will result in increased economic growth. So effective has ICT become in the world-system, that even the reduction of cost of its productions has not dampened the volume of investment in this technology; in fact, there have been significant improvements. The refined products, their outgrowth and high quality have in turn enabled companies to dramatically improve productivity.

In the OECD countries, the core of the world-system, this growth has resulted in massive investment in ICT (Colecchia and Schreyer 2002). The efficacy of ICT in the world-system is indispensable in macro-economics, thus enhancing the world-system perspective. Its impact on business performance is tangible; effective investment in ICT translates into sound labour productivity. Rapid improvements in ICT goods and services results in more rapid and intense improvements, which further results in more rapid multiplier productivity in the ICT-producing sector. In addition, more comprehensive use of ICT results in better and more efficient
productivity. Thus ICT is a *sine qua non* in the global capitalist economy, and by inference, in the world-system.

As we examine the mechanics of the capitalist global economy, we must conclude that it is exploitative. Analyses of the present modern world-system illustrate that in its *modus operandi*, it is exploitative; advocacy on concepts and practices of equality, social justice, and inclusion reduces the exploitation. These are the issues that led Blau (2000), Wieviorka (2005), and others to question the sincerity of the perspective in its present form. Muhammad Yunus, after lending his own money to female petty commodity producers in Jorba, Bangladesh, at very reasonable rates of interest, realized that they no longer found themselves in perpetual debt traps. Wieviorka’s views of injecting humanitarian principles into the system were not welcomed by the perspective’s original thinkers because such could result in altering the scientific discourse of the perspective and lead to a possible ideological platform. This may not necessarily be so.

After all, the modern world-system perspective was founded on Marxist principles, which are based on the rigors of scientific procedures in which sociological analyses are combined with political action reform. The fact that the founding father’s scholarship of the world-system perspective is anchored in the inequality, marginalization, and exploitative capitalism that he witnessed first in Africa (Wallerstein 2000) directs our attention to the notion that social sciences and humanities can combine forces to improve the lot of the underprivileged. The World Summit on Social Development Conference that took place in Copenhagen in 1995 eventually led to the Millennium Development Goals, which, if achieved, are intended to reduce the hardship of the people in the periphery. If there is no determined ideological commitment that leads to equality, inclusion, and good governance, the modern world-system perspective will have failed dismally in its original objectives and will have no standing in improving the lot of mankind, as the perspective intended.

The intransigence of class situation in the world-system, the many politico-economic groupings, the mushrooming of identity politics, all of which have manifested themselves through political, economic, regional, and tribal groupings have posed ever more complex problems for the class situation. These new variables have been facilitated by the effectiveness and rapidity of ICT. They add to the complex nature of class.

Some medium-income economies such as India, whose structure is both class and caste, act as mini world-systems and have all the bearings of the perspective. Furthermore, the political and economic groupings, for example, the EU in Europe, NAFTA in North America, the AU in Africa, and APEC in Asia constitute the new structure of the perspective. They all fall under our world-system perspective and function there because of the effectiveness of ICT in the capitalist global economy where the *de facto* means of production is also ICT.

References


