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Behind Merger Hype: Hypercapitalism

Business: AOL-Time Warner marriage shows just how far we've come toward commodifying culture.

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The mega-merger between AOL and Time Warner, the largest in history, is far more than the joining of two giant media companies. What we are seeing is a great transformation occurring in the nature of capitalism. After hundreds of years of converting physical resources into propertied goods, the primary means of generating wealth now involves transforming cultural resources into paid-for personal experiences and entertainments.

The announcement of this merger underscores the extent to which a capitalist system based on manufacturing goods, performing services and even generating information is giving way to a new form of hypercapitalism based on commodifying human time. Steve Case and Gerald Levin, the new heads of AOL-Time Warner, understand that the business of business is no longer about exchanging property but, rather, about buying access to one's daily existence in small, commercial time segments.

AOL-Time Warner, Disney, Viacom and Sony Corp. are not just media companies. They are global arbiters of access to a vast array of cultural experiences, including global travel and tourism, theme cities and parks, destination entertainment centers, wellness, fashion and cuisine, professional sports and games, music, film, television, book publishing and magazines. The capitalist journey, which began with the commodification of goods and the ownership of property, is ending with the commodification of human culture itself.

Transnational media companies with communications networks that span the globe are mining local cultural resources in every part of the world and repackaging them as cultural commodities and entertainments. The top 20% of the world's population now spends almost as much of its income accessing cultural experiences as on buying manufactured goods and basic services.

By controlling the pipelines that people use to communicate with one another, as well as shaping much of the cultural content that is filmed, broadcast on TV or sent over the Internet, companies like AOL-Time Warner are able to affect the experiences of people everywhere. There is no precedent in history for this kind of overarching control of human communications. Giant media conglomerates and their content providers become the gatekeepers that determine the conditions and terms upon which hundreds of millions of human beings secure access to one another and share meanings and values.

Social critics are beginning to ask what will happen to the rich cultural diversity that makes up the ecology of human existence, when a handful of information, entertainment and telecommunications companies control much of the cultural content that makes up our daily lives. Cultural production, after all, relies on the raw resources of the cultural sphere in the same way industrial production relies on the raw resources of nature. The culture, like nature, can be mined to exhaustion. If not tempered, the new forces of cultural capitalism could end up devouring our remaining cultural resources—from traditional music and dance, to local festivals and sporting events, to native food and cuisine—by repackaging them into short-lived commercial entertainments, paid amusements and purchased spectacles. Losing access to the rich cultural diversity of thousands of years of human experience could be as devastating to our future ability to survive and flourish as losing our remaining biological diversity.

When the culture itself is absorbed into the economy, only commercial bonds will be left to hold society together. The critical question in this new Age of Access is whether civilization can even exist when more and more of our relationships outside the family increasingly become a paid-for experience.

While Wall Street is celebrating the new merger, and 20% of the world's population is migrating to cyberspace, we need to remember that the rest of humanity still is caught up in the world of physical scarcity. For the poor, life remains a daily struggle for survival. Their world is far removed from fiber-optic cables, satellite uplinks, cellular phones, computer screens and cyberspace networks. Although difficult for many of us to comprehend, more than half of the human race has never made a phone call.

The gap between the possessed and the dispossessed is wide, but the gap between the connected and the disconnected is even wider. The world is fast developing into two distinct civilizations: those living inside the electronic gates of cyberspace, and those living on the outside. The new, global digital communications networks, because they are so all-encompassing and comprehensive, have the effect of creating a new and totalizing social space, a second earthly sphere above the *terra mater*. The migration of human commerce and social life to the realm of cyberspace isolates one part of the human population from the rest in ways never before imaginable. The great schism, in the coming age, is between those whose lives are increasingly taken up in cyberspace and those who will never have access to this new realm of human existence.