

## Hyperurban consumption, law and leisure – gold standard and communication

*Conspicuous consumption of valuable goods is a means of  
reputability to the gentleman of leisure.*

*Thorstein Veblen*

We enter in a supermarket and easily find, many times with very low prices, classical movie works stored in high informational concentration system in high definition known as DVD – initials of *digital video disc* but also of *digital versatile disc*, in this case specially when the system is not used for video.

In the slums, *favelas*, old buildings in ruin with high concentration of very poor people, we find miserable, extremely precarious life condition, many times even without clean water to drink. But, it is not rare to also find television sets, video, CD and DVD players, radios, microwaves, freezers, mobile phones and computers.

It is even more relevant that those people are located, many times, in the largest cities, spread out through the planet.

In 1958, in his famous book *The Affluent Society*, wrote in Switzerland, Galbraith announced – manifesting a notable capacity of forecast, anticipating a reality that would be evident fifty or more years later – that the old laws of economy had been made for a world of *rich and poor*, but not for the new universe that was beginning. He also strongly criticized the idea that the generation of material goods would be an unequivocal indicator of social and economic health.

Then, the *memory* of that culture, which typically was based the *middle class*, described by Galbraith, was structured on a universe characterized by poverty – as it happened in the Middle Age and great part of the world until the 20<sup>th</sup> century – where necessity turned clearer ideas and judgments.

According to Galbraith we would be passing – in 1958! – from a society of *rich and poor* – and, therefore, a society of differences and consciousness – to a society of *affluence*, of generalized consumption, where an unimaginable quantity of artifacts would be consumed in a scale never saw before, even if it couldn't represent the old idea of progress.

In this way, a society of continuous consumption could not be characterized by *clear ideas*.

To him, the only way-out for the hyper consume universe would be a hyper education process – curiously, in apparent opposed movement to what would characterize the *low power society*.

The passage to hyper consumption finds direct reference in the hyper production. While *Ford T* production in 1910 passed from one car each twelve hours and twenty eight minutes to one car each one hour and thirty three minutes four years later; each one of the Ford industries in 2003 produced an average of one car per minute.

The change of scale, in all senses, was vertiginous.

In a world of affluence the city stopped to be the representation of high concentration of power, revealing a fabric of surprisingly discontinuities, many times opposed to the classical figure of center and periphery.

In the Antiquity the city had a king – who was the maximum local authority. This concept remained almost intact until the 20<sup>th</sup> century, when the political leader was incontestable in many cities.

But in big cities of the last years of the 20<sup>th</sup> century, many times transformed in megacities, great part of the population not even knew who was the political leader – generally transformed in mere bureaucrat of taxes and rich steward of public works.

In parallel to the old *high power* now transformed in a gigantic disembodied structure without the human figure of the individual – like what happens in huge companies spread out by diverse countries, with no identifiable owners, for example – it was associated a *low power* spread out through millions of voracious consumers.

If before, companies were the way to create huge personal and familiar fortunes for their owners, their objective passed to be the generation of wealth to millions of shareholders after the 1980s, in a process that was reverted in the end of the 20<sup>th</sup> century becoming the creation of personal fortunes for their managers.

In 2006, a manager of a large corporation received in average more than eight times of what was paid twenty years before, in the 1980s, in present values. In the 1980s, managers of big companies received salaries around forty times higher than a common worker. In 2001, the average of salary packs of top managers was more than three hundred and fifty times higher than those paid to common workers!

Quickly, managers' aims became, in many cases, totally divorced from the interests of the shareholders or even of the company.

So, inside large corporations – like inside States – and in opposition to a generalized low power society, a new *aristocratic* class appeared, relatively independent of their merits or competences, but strongly supported on political affairs.

Cities passed to be dynamically interlinked, transforming everything, even the fields in countryside, into a *hyperurban* complex. In this way, the planet is transformed into a *hypercity*.

The intense distribution of resources, of the most diverse natures, in material and immaterial artifacts, accessible to a large number of people projected a new society, with new types of relationships, expectations and fears.

The same happened with *art* – before concentrated on a principal personage, the artist, and focused on a single moment, now transformed in an *explosion* of people and moments.

After the end of the 19<sup>th</sup> century, coinciding with the appearance of telephone, photography, movie and radio, the artworks – which until then were characteristically *representations* and, therefore, abstractions of what it was taken as *reality* – became gradually transformed in their own objects.

The amazing works by Marcel Duchamp, Dada, Jackson Pollock, Joseph Beuys, John Cage, Nan June Paik, Jasper Johns, Robert Rauschenberg and, later, William Anastasi, Dove Bradshaw, Rosemarie Castoro, Marcia Grostein, Roy Ascott or Bill Viola among others are, in themselves, their own meaning.

It is no longer *art for the art's sake*, but the elaboration of objects that are themselves what they mean – in a certain measure coming closer to prehistory through a post-history.



Not a political post-history, as presented by Francis Fukuyama after Hegel's ideas, but the disintegration of history while technology of thought, provoked by the creation of a scenario of multiple truths, closer to the maximum and impossible aspiration of history: its total meaning – as I've written since the beginning of the 1980s.

The conceptual universe inaugurated such path – and Marcel Duchamp was its maximum figure in art, in a wave that designs complex galaxies of signs generating the dematerialization of the artwork.

High concentration in pure abstraction appears as the last stage in the transition to a logic of dispersion – taking, however, the previous reality, of high concentration, as its content.

Artwork's *aura* – as essential element of the *single piece* – gradually stops to make sense. It is no longer about *technical reproducibility*, as

Walter Benjamin brilliantly alerted, but about the appearance of artworks in *real time* interactive telecommunication networks.

Not only, artworks passed to be freely expanded through graphic arts, movie, television and the called industrial design – which is no longer purely industrial – among others.

The value of artwork in the mechanic era obeyed to the principle of rarity – the single object, difficult to be reached. The value of artwork in the *low power society* obeys to the principle of visibility – more visible, more desirable.

In the 1980s, Alvin Toffler coined the expression *prosumer* – indicating the producer of artifacts of his own consumption, phenomenon that gradually has characterized good part of human activities in 21<sup>st</sup> century's first years.

Quickly, art finalists, secretaries, musicians, sound technicians, accountants, photographers

and moviemakers among many other professionals were substituted by computers and software that transform each person into a multiple creative being of his own consumption.

Each one became assistant, photographer, secretary, editor of television programs, of music, typewriter and many other functions *for himself*, for his own production.

At the same time, companies started to dismiss and contract each day faster their employees – condemning the old figure of *profession* to almost disappearance.

In many commercial establishments we passed to find totally unprepared managers, vendors and even technicians, without any specialized formation and, even worse, without any culture about the product or service – all trying, with the difficulties of improvisation, to follow printed manuals containing rules for general conditions.

In various restaurants, both people who attend the public and, many times, those who participate in food elaboration, are there by mere chance, looking for a long track activity, but never being prepared for and great part not loving what are doing.

The dream of each one passed to be in the image of movie or television heroes, indicating – in the superficiality of such aspiration – no work and total recognition if possible.

Inside a *prosumers* world everything is transformed in permanent improvisation.

Such volatility of the *job*, and especially of the *profession*, is also intensified by the increasing movement of people on the planet.

It is a phenomenon that dramatically reduces the sense of identity and promotes, on the other hand, an increase of violence. Violence nothing

more is than search for identity.

Many times we forget that what we call *corruption* also is an act of violence. The word *corruption* etymologically means to *break together*, indicating *destruction*, the *rupture* of a previous condition.

Societies with lower identity become more violent and more corrupt.

With fast changes the sense of identity becomes volatile, increasing violence and corruption. It was what happened in the 13<sup>th</sup> century in Europe, when the expansion of paper production generated a profound social metamorphosis.

Then, temperature used in metallurgy quickly increased, the production of glass knew a great and unexpected expansion, the use of mirrors became popular, prison gradually substituted physical mutilation as form of punishment

for committed crimes, quickly streets and roads were paved, *plan perspective* appeared, and what surely was the most famous set of popular poems of the epoch, *Carmina Burana*, described in this way the world of the end of Middle Age:

*Honesty is dead,  
Virtue is buried;  
Generosity is rare as never,  
Greed is expanding;  
Who is sincere, lies;  
Truth becomes lie.  
Everyone disrespects laws  
and is free do illicit actions.  
Greed is sovereign;  
Each one is only attentive to be rich...*

It is a poem that would be considered by many as a fair portrait of the early 21<sup>st</sup> century!

The quick change of mind strategy in the end of Middle Age implicated a volatilization of identity.

When a person has a *profession* and exerts it along the years, he builds an identity. But, if he floats between jobs of different natures – like what happens in a *low power society* – his sense of identity will tend to decrease. It is not only unemployment and lack of money that produces violence, but also lack of *profession*, of *identity in the action*.

Gradually, the only relevant social preoccupation passed to be to survival, *zero sum* game, like animals in the jungle. A situation so unstable that many started to prefer a dictator in place of freedom, or to consider acceptable dictatorial regimes like the Chinese in the beginning of the third millennium.

The world of *deconcentration* also projects, in parallel to consumption, entertainment as a basic social element. Entertainment implicates, by its own nature, a strong dissipative character – searching for a great average and a large

audience.

In last analysis, consumption and entertainment pertain to the same logical phenomenon of dispersion.

Shopping places – like supermarkets, hypermarkets, shopping centers or specialized large-surfaces like *FNAC*, *Déathlon* or *Ikea* among others became true centers of leisure where continuous consumption is explored in all its forms, with shows of popular music, cafes, movie projection, interviews with famous people or even free distribution of the most varied kinds of gadgets among other tricks.

Only in France, specialized large-surfaces – true entertainment parks moved by sales – represented more than 40% of the gardening market and around 65% of electrical appliances and telephones commercial transactions in 2004.

Airports and railway stations were



transformed in big shopping centers, sometimes including swimming pools, restaurants, saunas, hotels, bookshops or health and beauty centers.

Even hospitals were gradually metamorphosed into consumption and leisure centers – substantially changing what Michel Foucault so brilliantly alerted as the emergence of the modern concepts of hospital and prison, in the end of the 18<sup>th</sup> century, establishing a clear standard of power.

For the universe emerged in the 18<sup>th</sup> century, health care was related to the principle of control and domination of the illness, amplified to the control of behaviors.

In São Paulo, in 2008, hospitals like the *Santa Catarina*, which received patients with a long piano at its entrance, the *Albert Einstein* or the *Syrian Lebanese* hospitals, in almost nothing can be differentiated from the comfortable hotels of international standard. Among the many



*Consumption of Goods is Honorable.* Veblen pointed to a phenomenon that would be present in the apparent general *barbarization* or global mediocrity with the emergence of the *low power society*.

In social terms, miserable people, homeless and all kinds of excluded, who before were kept invisible by an elite of high concentration of power, emerge as a new active majority of the society, very visible, generally integrated in the instability of the continuous consumption, even if sometimes at its margin as well as at the margin of Law.

Those who before were excluded from a society focused on an elite are now transformed in heroes—especially for new generations—in popular music, movies and other media. Interestingly, there is a clear reversal in the cinema, where the old social elite is transformed into marginal as a sign of what is *politically correct*. Irreverence and nonconformity passed to be often in the positive approach of the former elite, like what happens in

Woody Allen’s films – who has been classified as *politically incorrect*.

Thus, the old elites, elements of concentration, seem to become marginal – sometimes even in face of Law. The whole imaginary seems to classify rich and noble as villains – when the origin of the word *villain* was just an indication of what was marginal to the castle, the palace, the Law.

Law itself, as essential element of a social contract, is an element of *concentration* – a legal corpus joins codes to whose everybody should be submitted under equal condition. The fundament of isonomy imposes that everybody is equal facing to Law – principle that only can exist in high concentration scenario.

Thus, we go appreciating the metamorphosis of the old and relatively stable *legal corpus*, originally formed under a logic of concentration, transforming itself into an amorphous set of laws

in continuous mutation. Changes become so fast, so accelerated, especially in fiscal terms, that even very experienced lawyers and jurists sometimes find themselves perplexed with the appearance of new and contradictory laws.

People no longer really know exactly what Law says.

In this way, in several countries, a new social behavior emerged. Managers comfortably making everything intentionally illegal, because court's efficiency was dramatically reduced by the complication resultant from frequent changes in Law. Business people acting dishonestly, as to avoid bureaucracy's traps that would condemn their efforts. Companies of any size that systematically do not fulfill their compromises, because only a few clients will assume the hard work to complain – again because of the flagrant inefficiency of tribunals. A situation that generated a question, common to the most different societies: would be a place for honest people yet?

The word *honesty* appears from the Latin *honor* – and honor is directly dependent on the individual!

On the other hand, bureaucracy eliminates the need of credibility. With it there is no longer importance to believe, to trust in people. Bureaucracy erases the old value given to honor. Everything passes to be established through formal and impersonal compromises, numbers and files.

In a so strongly bureaucratic environment, the solution of survival to many people became immobility – because when one does nothing, there are fewer reasons to be criticized and, in some way, prejudiced.

Such reality also *designed* public services behavior, and a new police component appeared: to oblige the fulfillment by force, what was established by bureaucracy.

In several countries it was created a principle that few years before would have made people tremble with horror: when a wrong tax collection appears, the citizen is obliged to pay it in anticipation to have the right of defense! This was a common situation in countries like Portugal in the beginning of the 21<sup>st</sup> century, for example.

Not only, the quick appearance of new laws implicates, many times, situations of serious contradictions. And, as Claude Pascal alerted, *lex dubia non obligat, when the law is not clear it does not oblige*, opening large doors for all kinds of legitimate contraventions.

What before was *control* – privilege of a society characterized by high concentration of power – became unstable and unpredictable, but also generalized and paralyzing.

ThomasFriedmanshowedhowtheworldwas gradually transformed into a *horizontal structure*, what he called *flat world*. The States – since their

origin structured on a *concentration basis*, vertical and hierarchical par excellence – become more and more inoperative and without function in a *flat world*, which works by coordination.

In large sense inoperative, the State started fighting to save itself. Bureaucracy is one of the most visible effects of this phenomenon.

Other of its effects is the emergence of the concept of *gross national product*, or simply GNP as sovereign reference to the understanding of the economic development of a country.

It is not possible to determine a clear paternity to the invention of the GNP concept, which happened only in the 20<sup>th</sup> century. But, the figure of Simon Kuznets, Nobel Prize in 1971, surely is the strongest related to the origins of that principle.

Kuznets was born in Pinsk, Byelorussia, in 1901, and died in the United States in 1985.



His life, always oriented to the phenomenon of economic growth, was specially dedicated to statistic researches. After the Second World War he helped the American Department of Commerce as to establish standards for the GNP, however he always disapproved its use as universal measure for the determination of a nation's wealth.

In works published in 1955 and in 1963, he discovered, yet, an interesting economic phenomenon: in poor countries, economic growth increases the disparity between rich and poor; while in rich countries that disparity is reduced by economic growth.

The most important thesis of his life was the demonstration that, in the second half of the 20<sup>th</sup> century, poor countries had very different original conditions than those knew in the previous centuries, ending the tendency to consider that any economic evolution obeys to a standard movement, uniform, as it was believed until then.

The time for implantation of the principle of GNP as basic element for the comprehension of economic growth and the levels of wealth in countries coincides, *grosso modo*, with the establishment of the Bretton Woods System.

According to Angus Maddison, in *The World Economy: A Millennial Perspective*, the world economic growth was only around 14% between the year zero and the year one thousand; around 500% between the year one thousand and 1820, when the Industrial Revolution starts; and more than 4500% in little more than one hundred and fifty years, from 1820 to 1998!

Still, according to Maddison, among the governs that more intensely absorbed the national production in 1913 there were France, Germany, Netherlands and Great Britain with expenses that represented around 12% of their GNP. In that same year, expenses of the American government were of about 8% of the GNP, and in Japan they were around 14.2% of the GNP. In less than one

hundred years, in 1999, the consumption of the governmental machines of those European countries increased to 45.9% of the GNP! In the United States the governmental expenses jumped, in the same period, to around 30.1% of the GNP and in Japan, to around 38.1%!

Not only the gross national product of the countries increased in an exponential scale, as the gains of their governments on the GNP increased even more!

Paradoxically, one of the official resources to disguise this increasing domination of the States on the wealth production passed to be exactly the GNP!

Basically, the calculation of the gross national product of a country is the sum of the private consumption, the total of investments made, the governmental expenses and the volume of exportations, subtracting the volume of importations.

Quickly, governments noticed that, like magic, their expenses could be transformed into incomes, generating a positive impact in the increasing of the GNP, even when those expenses were unproductive, like payment for ghost services of advising, the contracting of counselors, for example. For that, a simple accounting maneuver would be enough. In this way, governmental expenses passed to be included in the calculation of the growth national product as if they represented, directly, generated wealth! – a manipulation that could be called the “GNP fraud”.

Other element of positive impact in the GNP values is the private consumption, which passed to be strongly related to credit.

Thus, despite all justifications according to which the strict control of interests turn possible a more stabilized world, the fact is that the quick tendency to make the director interest rates, in a worldwide basis, near to zero, or even negative in

real terms, implicates the elimination of a society based on savings and the establishment of a society based on credit.

Associated to the free manipulation of the GNP, to the increase of taxes and very questionable participation of the States as wealth producers, to the reduction of interest rates, to the free and illegal intervention of governments in markets, to the uncontrolled increase of bureaucracy – many times disguised in technological developments – and the increase of credit, we also started a true falsification of inflation values, which passed to be exclusively determined by a very restricted basket of products, easily manipulated, even through subsidies.

On the other and, the string amplification of credit reinforced the abstraction of capital.

In 1971, Richard Nixon announced the end of relation between dollar and gold, that is, the end of the called *gold standard* that was originally

established in 1717 in Great Britain.

Gradually, practically all countries in the world abandoned the *gold standard* principle. The growth of capital in the last two hundred years was so huge that few economists could support a return to the old financial standards.

But the abandonment of the *gold standard* generated an interesting question: how much capital really exists in the world?

Some voices indicated that only around 15% of the worldwide capital had some kind of support. That is, great part of the capital all over the world nothing more was than pure abstraction.

The planetary crisis started in September 2008 created the fear of a collapse of the world financial system. In December 21, 2009, Miguel Angel Fernandez Ordonez, then governor of the Bank of Spain, alerted to the fact that the world was in the imminence to face a collapse of the

Y  
T  
E  
I  
C  
O  
S  
R  
E  
W  
O  
P  
W  
O  
L

0  
t a  
p i m e n t  
o  
1  
m e  
d e  
s  
i m a s  
o  
i m a s  
l  
e m a n u e l  
2

entire international financial system.

The answer to that situation was to dramatically reduce interest rates, to illegally intervene in the markets and to expand the monetary basis – mechanisms that seemed to make the world plunge even more deep in a low power universe.

Curiously, it is a universe where a large average of low power works, evidencing the phenomenon identified by Kuznets decades before: in poor societies economic growth increases disparity between poor and rich. Now, imagine this phenomenon in a scenario of generalized average and relative poverty, were a super concentration of wealth turned very rich people practically inexistent in statistical terms. Great part of the population passed to be rich and relatively poor, with the exception of gigantic concentrations of wealth.

This world of hyper consumption, started

years before, made that any person be able to buy weapons or drugs, anywhere, with relative easiness, in the same way that any person started to can freely buy mini cameras of surveillance to control other people. Efficient computer programs that permit crime in cyberspace became equally of easy acquisition.

When the author of the classic book *Small is Beautiful* – published in 1973 and in many ways prescient about what would happen a few decades later – the great German economist Ernst Friedrich “Fritz” Schumacher said that «infinite growth of material consumption in a finite world is an impossibility», the planet was not yet strongly interconnected by communication networks of networks, designing a world made of infinite interactions.

Schumacher believed that the world was heading for a scenario of degeneration losing the sense of responsibility. He accused three personages as major culprits: Sigmund Freud, Karl



Marx and Albert Einstein. Interestingly, they are three people of Germanic origins.

For him, Freud would have turned subjective the collective perception because his view of a world articulated between the *ego* and the *id*, generating the *superego* had transformed the collective imagination making it highly subjective. Marx, because he had given to bourgeoisie the rule of guilty of all evils in the world, eliminating, in this way, the responsibility of people, of the individuals – from then on, the culprit would always be the Other. And finally, Einstein for having transformed the vision of the world into a continuous relativity – and where everything is relative, nothing is absolute, that is, nothing is open to criticism.

In fact, Schumacher perceived the forthcoming changes, identifying the thought of Freud, Marx and Einstein as symbols for the image of the world around him: everything more subjective, without individual responsibility and strongly relative – essential data for the understanding of

the low power society and a low cost culture.

Schumacher was a great philosopher, economist, who loved gardening. He died on the fourth day of September 1977, at sixty-six years old, during a series of conferences in Switzerland.