

# How to Solve the 'Hotmail Problem': Understanding Changes in the Global Division of Labor

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The globalization of high technology production is not a new area of study. Authors working on empirical research in the semiconductor industries and free-trade zones in Southeast and East Asia, Latin America, China, and India have identified a global division of labor which relegates semiskilled assembly functions to developing countries. Forms and organization of non-assembly work in developing countries, however, have yet to attract systematic study. In this paper, I offer some suggestions for interpreting forms and organization of knowledge-based technological labor by Filipinos as they transpire within the changes of the global and gendered division of labor.

What are these changes? In economic terms, for example, in manufacturing, trade and international investments, the category "new industrialized countries" stands for a central challenge to the "new international division of labor" (Fröbel, et al. 1980) which first appeared in the 1960s. This category, however, implies that only a very small number of countries account for the most important changes in the global division of labor. Yet, there

are changes in the global division of labor that are not fully observable in global economic terms. I am referring to the presence of non-assembly work in the technological arena in developing countries. In the Philippines, these changes<sup>1</sup> are reflected in the claims about Filipinos being "one of the best information technology (IT) professionals in the world." The IT 21<sup>2</sup> and the so-called "Y2K brain drain"<sup>3</sup> indicated that the country's information technology industry, which like other industries operates through stereotypes, had borne the latest of such claims.

I locate the changes in the global division of labor in the "social distribution of knowledge" within the IT industry in the Philippines. The social distribution of knowledge (Schutz and Luckmann 1973) implies that members of any society possess dissimilar knowledge. In the IT industry in the Philippines, the social distribution of knowledge shows that on one end of the spectrum are routine assembly work in the electronics industry. On the other end are the rare cases of hardware design. In between these two

ends of the distribution are R&D work of electronics engineers, content processing, web design and web applications development, business applications software development, etc. The wide range of activities implies that aside from replication activities, there is modification and adaptation of standard products to local needs. Hence, the presence of non-assembly activities in the IT industry of the Philippines. What makes this possible is the 'middle group,' a group of information technology professionals that consumes, processes, and re-purposes the seminal and standard IT products created by the 'elite group' for the consuming majority. In an ideal-typical way, the 'middle group' mediates between the 'elite group' and the 'consumer group' in the global production-consumption chain of IT products in the Philippines.<sup>4</sup>

The concept of a social distribution of knowledge within the Philippine IT industry acknowledges the coexistence of what once was an impossibility within the logic of the "new international division of labor" (i.e., non-assembly work) with the persistent realities of that division of labor (i.e., assembly work). Within this model (Foucault's heterotopia?), claims about Filipinos being "one of the best IT professionals in the world" is not just a case of misplaced national chutzpah. Neither would it be appropriate to dismiss international survey findings that rank the Philippines in the company of developed countries in terms of knowledge jobs and IT skills as a statistical artifact. I suggest that, as expected from a skewed distribution of knowledge, these claims

and survey rankings are expressions of multiple, often contradictory realities.

I relate the emergence of non-assembly activities in the IT industry of the Philippines to the question of how globalization works in a country known for its long history of appropriating cultural artifacts from the West. I examine "pinoy-mail.com," a Filipino free e-mail service patterned after "hotmail.com,"<sup>5</sup> for some answers. Here, we are presented with a site created by the encounters of the members of the Filipino 'middle group' who are based in the Philippines with global entities. When viewed as a mode of glocalization or a global outlook adapted to local conditions (Robertson 1995:28), the Filipinos' long history of borrowing from western phenomena is, like an Andy Warhol, about new ways of presenting images, products, and ideas.

Appadurai argues that the "new global cultural economy has to be seen as a complex, overlapping, disjunctive order that cannot any longer be understood in terms of existing center-periphery models..." (Appadurai 1996:32). Between the either-or debate of globalization as heterogenization and homogenization, I find the notion of globalization as "hybridization," or the notion about a separation of forms from existing practices and the recombination with new forms into new practices (Nederveen Pieterse 1995:76), a useful conceptual innovation. I look at hybridity as a mode of glocalization which implies adapting one's techniques to local conditions and whose essence is the simultaneity of both the global and the local experience

(Robertson 1995:28ff). The concept of glocalization has much in resemblance with “dochakuka,” a Japanese notion of adaptation, accommodation and conformity. When applied by the Japanese to their cultural and technological borrowings in business and industrial manufacturing, “dochakuka” means more than just replication. It promotes the adaptation of goods and services that are operating on the global level to local and specific markets, and entails making improvements on what has been borrowed.

I suggest that in the IT arena, the cultural borrowings in the Philippines are a form of glocalization. These borrowings comprehend a whole range of acts and insights concerning the mixing of local elements and global information technologies. My sense is that many Filipinos take upon the “foreign” in the spirit of “copying plus.” Filipino pop singer Gary Valenciano dances and reaches for the high notes like Michael Jackson but he does so with what the Filipino music industry calls “Original Pilipino Music” (e.g., a song performed by a Filipino).<sup>6</sup> In this paper, I look at the phenomenon of copying, not as an attempt to explain why or how it has come to happen that once upon a time, “Michael Jackson of the Philippines” is taken as an accolade to a professional singing career of a Filipino pop star. Rather, my intention is to make sense of what copying actually means to technological flows. Enough conceptual attention has been given to the interfaces between the global and the local in globalization, but there remains a gap

in the empirical treatment of these interfaces. How do they actually work?

#### PINOYMAIL.COM AND IMAGINED TECHNOLOGICAL COMMUNITIES

In March 2000, an article about the largest local investment ever made in a Filipino dot.com—a PhP100-million (US\$2.5 million)<sup>7</sup> capital infusion to a free web-based e-mail service—appeared in the “IT section” of a major Philippine newspaper. This e-mail service company was pinoymail.com, founded in 1998 by Dom whom I knew in college. I visited the Pinoymail web site whose main page promptly announced itself to be “for Filipinos and their friends in the Philippines and everywhere else in the world,” sent Dom, the founder, an e-mail, and met him one afternoon in his office at the Ortigas Business Center.<sup>8</sup>

“As a technical company, we are pretty much global. We belong to a community of users of this operating system called Linux. This is called an ‘open source community.’ I put my trust in a company called Digital Nation of Virginia, USA. I trust them to provide my public or my audience with 100 percent ‘up service.’ I haven’t seen how my servers look like. I haven’t seen if they really are what they claim they are. What I do know is that I never had any downtime with them... I actually have Argentinean programmers. And once in a while, I have Hong Kong consultants. But, you know what? I never met anyone of them... In our first launching on March 9 [1998] we just went to the chat rooms... and presto!

We had 2000 users the next day. Mostly it was through word of mouth. I think that is the phrase: word of mouth. Chats, forwarding e-mails. In a classic environment, word of mouth is whispering to you. On the net it is possible, it is also word of mouth. I go to a chat room and see that the announced topic of the day is 'get your free Pinoymail at this time.' And you begin talking about it, that's word of mouth. And then you say, 'I want to shift to this from my Hotmail account, and then you send it to your friends, 'hey, there's something new, this is ours'...' (Dom Danao, interview, 10 April 2000).

In introducing the notion of "imagined communities" of nationality, Anderson (1985:15) sees "all communities larger than primordial villages of face-to-face contact (as) imagined." Similar to the imagining of the nation, Dom imagines himself as part of a wider group, his everyday life-world shared by many other information technology professionals (e.g., consultants, programmers) and physical things (e.g., servers) which may not be physically present. Likewise, the subscribers of Pinoymail perform a social act done with 450,000 other subscribers<sup>9</sup> who are drawn by the marker *pinoy*, Pinoymail's unique identifier on the Internet. Thus, in addition to the community of information technology professionals, a community of consumers is formed. Like the members of even the smallest nation, these professionals and Pinoy-mail subscribers will, in Anderson's (1985:15) words, "never know most of their fellow members, meet them, or

even hear of them, yet in the minds of each lives the image of their communion." Regardless of the heterogeneity and the social inequality that may prevail in each of these communities, each member feels a sense of comradeship that is similar to the imagining of the nation.

For Anderson, communities are to be distinguished according to how they are imagined. In this light, Pinoymail asks attention to two new imagined communities which shed light on the doing of information technology in a developing country. One is constituted through the need to know what consumers want, an essential element in the application of information technology knowledge into the practical context of business; the other is formed through the need for continuous access to information technology knowledge, a rationale behind encounters with fellow information technology professionals. In other words, Pinoymail is built upon an idea that appeals to local needs and interests, but its execution depends on its ability to access appropriate technology and to form partnerships with technological providers and users all over the world.

**Ethnobusiness communities.** Ethnobusiness is about local markets. It is a business that is based on strategies built upon an entrepreneur's life-worldly stock of knowledge and understanding of what makes sense for consumers who share the entrepreneur's stock of knowledge about a particular society or culture. It is therefore about transforming fellow actors in an entrepreneur's life-world into consumers.

Like many technological applications, the application of information technologies into the area of business is governed by a homogenizing rule: the product which is able to have the widest audience in the shortest time possible, achieved through marketing strategies, sets the standards. When Pinoymail came in, Hotmail had already established itself as the standard in free web-based e-mail services. Nevertheless, the barriers of entry in the development of business applications based on information technologies are not as high compared to those in hardware and standard software development. In applications that consider local needs and interests, local businessmen and IT professionals have a comparative advantage over global and even national players. For example, business companies in Philippine provinces take the services of local service providers because of the costs and the proximity requirements in the development of certain information technology products (e.g., web design, business applications software). Thus, the so-called "first-mover advantage" in global standard markets does not work all the time: the global world is comprised of localities that do not seem to be limited.

"In my Internet café in 1997, Pinoy-mail was born. I put up a paid e-mail service. After all, I thought some people would pay, but hell, no one was paying me. Well, only a hundred persons subscribed. And the reason was that this company, hotmail.com was giving everybody and anybody who wants, free e-mail. And I was so stumped. *How can I solve the Hotmail problem?*<sup>10</sup> The

solution I came up with was to copy it (laughs). Copy the model and put a *pinoy* touch to it..." (Dom Danao, interview, 10 April 2000).

De facto strategies emerge when consumers prefer one service over others. One element of Dom's stock of knowledge tells him that Filipinos would be willing to pay for an e-mail service that gives them some form of identity in the Internet (e.g., a locational identifier, in contrast to a generic Hotmail address). Another element of this stock of knowledge allows him to recalibrate his initial and erroneous understanding of what appeals to fellow actors who share his life-world (e.g., the willingness to pay for a "personal" e-mail address). This stock of knowledge allows Dom to arrive at three important insights crucial to the transformation of fellow actors into consumers: one, fellow actors are to be differentiated according to the realities of transnational communities (e.g., Filipinos in the Philippines, Filipinos abroad, and the friends of Filipinos); two, these fellow actors form a community for whom subscription to Pinoymail is not just a solution to a technical need (e.g., to be able to send and receive e-mails) but for whom consumption is an imagining (Anderson 1985:39) and a marker of a vision of society that includes the promotion of "Filipino-ness;" and three, fellow actors are great reproducers of one's own culture.

**Epistemic communities.** Aside from imagining a community of consumers, Dom also engages in what Knorr Cetina (1999) calls epistemic communities. These communities play host to knowledge

creation and are not only limited to the laboratories of science but are also found in the New Economy of globalized knowledge societies (Evers 2000:11). They include universities, research institutions, industries, business entities, and "open source" communities and technical and scientific knowledge as well as knowledge of work cultures. They are also repositories of both ready-to-be-used and mutable knowledge.

The epistemic communities in which Filipino IT professionals partake in are of two kinds. One is characterized by members' engagement with knowledge systems that are reproduced by established cultural makers such as schools, media, and global corporations, and hence by a heavy reliance of ready-to-be used knowledge. The other corresponds to a new mode of knowledge production that emerges alongside the traditional mode. In the new mode, there is an expansion in the number of potential knowledge producers so that knowledge production is no longer limited to universities but taking place in other settings. Online epistemic communities are the newest of such settings. These communities have a defined focus and provide a site of communication among people linked not by physical proximity or ethnicity but by interest and expertise. Epistemic communities are among the structures that promote horizontal diffusion of knowledge. In these communities, IT professionals share common interests and solutions in problem-solving and application contexts. Because of the existence of online epistemic communities, there was no need for Dom to

know the whole range of technological repertoire in order to develop Pinoymail. He could always rely on online epistemic communities to complement his knowledge gaps. Nor was there a need for him to know the whole range of Filipino cultural repertoire before the business idea was executed. His life-worldly stock of knowledge enabled him to turn fellow Filipinos who share and shape his stock of knowledge into consumers. After introducing the imagined technological communities that are crucial to the development of Pinoymail, I now proceed to examine how they become a site of global-local interactions.

#### MODES OF GLOCALIZATION

Pinoymail illustrates the relational notion of the local and the global that is based on the criteria of one, a sense of belonging, and two, the possession of detailed knowledge. For Dom, the local takes the form of whatever it is that he knows about fellow Filipinos as potential consumers of an e-mail service. The local also takes the form of a geographic territory (e.g., "Filipinos in the Philippines"). Dom's everyday use of the term "global" provides a geographic definition of the "global" as a community that includes members and elements outside of the space marked as "the Philippines" (e.g., Filipinos and their friends around the world).

The notion of glocalization draws attention to how the 'middle group' in the Philippines deals with the local and the global in the context of imagined technological communities. There are two

modes involved. In the first mode, glocalization is about the promotion and the anchoring of the global within the local. In the second, glocalization is achieved by highlighting the local within the global.

**The global within the local.** There are at least two ways in which the promotion of the global within the local is being expressed. One is in the dissolution of the marker of locality, the nation; the other in the establishment of relations of trust. If imagined communities were coupled by Anderson to the birth of the nation, imagined technological communities are to be associated with the blurring of national lines. The marginal role being played by national boundaries in imagined epistemic communities and the prominent role being played by the realities of migration and the need of the relocated group for contact with the homeland in IT-based ethnobusinesses show that imagined technological communities are being deterritorialized. This has two meanings: one, the immateriality of one's location, and two, multiple localities. The immateriality of location means objective communities such as online communities where interactions among members are outside and independent of hierarchical social locations such as nationality and reputational structures. The notion of multiple localities, on the other hand, is at work when we consider Pinoymail's current office setting of concrete, steel, glass and busy streets vis-à-vis its origins as an e-mail service being operated from Dom's living room (from a residential area built for the faculty and staff of a university).

How important then is locality for business practices built on information technology? Dom described Pinoymail as a company that "could be anywhere" because what matters to pinoymail subscribers is that "they wake up, get their e-mail and that they are able to send." Moreover, the office "could be anywhere" because Pinoymail's marketing associates go to the clients (i.e., advertisers) and because what matters to these advertisers is that Pinoymail can deliver them the audience for their products. Thus, the notion of "modern" or "high tech" is decoupled from specific urban centers. Although most IT companies choose to be in business centers where they are close to suppliers, banks, trade associations, clients, among others, the creation of IT products are not specific to one area in the city. "Being anywhere" also implies having a choice about locales. Although it is possible to get the technological services it needs from Philippine-based providers, Pinoymail is not keeping its technological facilities in the Philippines. In all these cases, deterritoriality implies that there is *no* one locality.

The second way in which the "global within the local" is expressed is in the anchoring of global relations with the norms of locality. As I have mentioned earlier, there are some forms of contemporary epistemic communities which are characterized by people freely sharing what the corporate world considers proprietary and therefore restricted and for-fee information. These epistemic communities may be viewed as global in the sense that the members come from places outside the space designated

as “the Philippines.” Yet, these are actually navigated by mental maps that are very much anchored on the local.

Dom’s description of the interaction in open-source and online communities as “without regard for anything but the topic, without regard for anything but technical know-how” points to an initial view of these communities as being global. Yet, the interactions within online communities create social capital, defined as the “features of social organization such as networks, norms, ...trust that facilitate coordination and cooperation for mutual benefit” (Putnam 1993:35ff). In the face of increasing objectification in modern societies, immaterial objects such as signs are being increasingly produced over material objects (Lash and Urry 1994:55). As a result, material objects increasingly contain sign-values or images such as aesthetics, emotional labor, and bonds of trust. Dom found global technology providers by taking the “testing route” such as inspecting the other sites that they host. He determined his server provider, consultants and programmers all in front of a computer. In a milieu that was very virtual, Dom has a vendor-vendee relationship with his service providers: they sell Internet presence, he pays them according to their prices. All these, according to him have something to do with one’s track record (i.e., what other people say about you). “This is one thing good on the Internet,” he said. “People tell on you if you don’t do your thing, especially if you are bordering on the criminal aspect, people will tell on you.”

Thus, trust is still created within local contexts: the online communities can exist

only if their members are willing to trust each other. Online communities which provide access to global technologies underscore a main point in the nature of social capital: one’s membership in these communities implies the ability to draw on social resources which behave like monetary capital from networks and from norms of solidarity. Because social capital is by nature imagined, similarities in the way it operates in online and offline communities are expected. Thus, in online communities “people will tell on you,” the news spreads by “word of mouth.” Each of these imaginative vocabularies—the formation, cumulation, and invocation of social capital—refers to processes that characterize a local culture or “the culture of a relatively small, bounded space in which individuals who live there engage in daily face-to-face-relationships” (Featherstone 1995:92). The embeddedness argument stresses instead the role of concrete personal relations and structures (or “networks”) of such relations in generating trust and discouraging malfeasance (Granovetter 1985:490). Online communities are global in terms of a big heterogeneous community but they are being treated as local, subject to the patterns of interactions characteristic of smaller groups whose members cease to be anonymous. Thus, one manifestation of glocalization is that global practices would seem to be feasible at the local level and perhaps become feasible only in relation to the structures found at the local level.

**The local within the global.** “Being anywhere” can equally mean thriving in the local. In the beginning, Dom was



looking for technology and partnerships and his everyday life-world was anchored on a computer. "You have a computer and you know how to do some hacking, you appreciate configuring things, then you learn new stuff from the Internet, how to configure a mail server, put up a web site," he said. While Pinoymail's initial activities center on global technologies and appear to be disembodied from the local, the whole project is essentially contingent on the local because the search for technologies and partnerships revolves around a business idea that seeks to create profits from the idea of locality.

Pinoymail used the US\$2.5 million investment that it received to improve technical capacity and marketing strategies in order to attract and accommodate more subscribers. To attract these subscribers, the locality is invoked in a way that conforms to Appadurai's view that the production of locality is also the production of a structure of feeling (Appadurai 1996:181). Pinoymail uses *pinoy* as its unique identifier on the Internet, and provides representation of the various cultural groups in the country. It sees a business opportunity: a community of consumers whose consumption is anchored on feelings of belonging to a nation. Dom's argument is that if you are *Pinoy*, then you have to have a Filipino (e-mail) address. "After all," he said, "*pinoy* can be seen along national lines."

But, what is meant by "national lines"? In the transnational spaces created by members of the 'middle group,' interpersonal relationships increasingly take precedence over established ideas of the nation. Moreover, a Dutch anthropologist

observes that if there is a devotion among Filipinos to an imagined community, it is not to the nation-state but to the land in general. Accordingly, a devotion to the Filipino nation-state is difficult to develop because the nation-state, peopled by the elite and traditional politicians, is unconvincing in its role as caretaker of the common interest (Mulder 2000:189-190). Nevertheless, visions of society are not a priori categories but rather come out of a process of actors constructing and reconstructing existing visions. With its cards on EDSA II, the people power revolution that drove Joseph Estrada out of the presidency in January 2001, the e-card service of Pinoymail seeks to mix consumption with the political and not only to the land in general.

But, Pinoymail's mobilization of locality in the processes of creating markets also parallels a particular aspect of the mobilization of ethnicity in the processes of nation-building. There is a tendency, for example, among groups who felt left out by the process of drawing the symbolic framework of the nation to (re)invent new collective identities, with the end-result of mobilizing groups along ethnic lines (Pfaff-Czarnecka and Rajasingham-Senanayake 1999:13). In this sense, the Philippine nation is local vis-à-vis the global but so are the different ethnic groups vis-à-vis the nation. One of the services being offered by the Pinoymail web site is a calendar of activities. For the month of November, for example, the calendar of events not only included All Saints' Day for the dominant Christian group but also noted the beginning of Ramadan. It did not only include the

northern Philippine Cordillera Festival but also the *Higantes* Festival (Festival of Giants) of a town near Manila, as well as World Peace Day. The promotion of the country's different cultural events suggests a consumption of locality that is not only geared towards the global world entranced by hotmail.com but also towards cultural groups in the Philippines which are struggling about what can be done with the local culture.

"What made this company what it is right now," Dom told me, "was really putting things together and branding it as pinoymail.com." Here Dom is making the first connection with "invention", which in everyday use implies "putting things together," as opposed to "discovery," which is making known what has existed before. "Putting things together" means mixing ideas and technologies, a mixing that evolves into the appropriation and invention of the local. The increasing dissociation of creativity from artistic originality can, however, be compensated by the invention of locality. In its earlier phase, Pinoymail merely involved an appropriation of the local, a phase when, according to Dom, "Pinoymail is just a name" and (re)invention of the local was about representation. Representation means to present something once again and Dom presents *pinoy* as a marker of different senses of belonging to a land or nation, feelings that have always been there.

Dom's invention of the local clarifies what is meant by mobilizing tradition. Tradition is about collective memories, rituals, guardians, and moral, and emotional forces, where the past is conti-

nuously reshaped and reinterpreted based on the present (Giddens 1994:63). An invention is particularly individual, but by sharing in the life-world of consumers, an actor's invention is fundamentally social. Dom's invention of the local is being done by structuring feelings for the nation or the homeland. Pinoymail, for example, delivers the homepage of a local newspaper's Internet edition to the subscriber's mailbox, runs a card service through *pinoycards*, which features cards designed by the *Samahang Kartunista ng Pilipinas*, and provided a link to *Yehey!*, a local search engine. By providing services that enable a Filipino to enact the argument "if you are a Filipino, you have to have a Filipino e-mail address," Dom invents consumption as a way to define "Filipinoness." Four hundred fifty thousand Filipinos and their friends took up this invention as a way of making space for the Filipino social identity in cyberspace. His invention of "whatever is Filipino" gains legitimacy via the market, as seen, for example, in the number of subscriptions to pinoymail.com and to *pinoycards*.

Dom's representations of "whatever is Filipino" may be vague, largely simplified, and generalized. But this performs a function in relation to familiarity and strangeness. Thus, a new experience is not necessarily a novel one; it maybe new, but the individual is still familiar to its type. Pinoymail is a new experience but not totally alienating from a previous experience with "whatever is Filipino." Pinoymail's generalized representations of "whatever is Filipino" ensure that Filipinos of as many cultural predispositions can

identify with the product. The resemblance of the web site's general features to that of Hotmail's (e.g., predominant color scheme, dialogue boxes, etc.) means that a user goes through a smooth transition when getting a second free-mail account from Pinoymail or altogether changing from a Hotmail account to a Pinoymail account.

However, the comparative advantage of ethnobusiness over its global counterpart is compromised by the requirements of capital and markets. Pinoymail as an ethnobusiness may benefit from the promotion of locality, but the site of its production of locality is embedded in the dynamics of asymmetric global relations. This form of embeddedness limits the idea of the deterritorialization of imagined technological communities only to the technological level. The problems encountered by ethnobusinesses do not seem to lie in the capacity of the information technology workers to absorb current technologies, but rather in the existence of technological infrastructure in the country and in the capacity of ethnobusinesses to accumulate capital. Only one percent of the 75 million Filipinos have personal computers that have Internet connection (*Philippine Daily Inquirer* 2000). Even when an Internet user is defined as someone who has access to the Internet either through his or her own PC, corporate facility, schools, Internet cafés, among others, the estimate of the number of Filipino Internet users rises to only 2 million. The size of the market is therefore a key factor. The local aspect of creating information technology also asserts itself as a difficulty for Filipino

ethnobusinesses to organize a technical team as they compete with foreign companies for Filipino IT professionals. Even within horizontal knowledge structures, wherein a "knowledge center" becomes ad-hoc and emergent, a select group of cities and countries arises.

I now want to go back to the question I raised earlier on in this paper. How do we come to terms with our long history of being *manggagaya*?<sup>11</sup> What can we conclude from Dom's solution to the 'Hotmail problem'?

#### MANGGAGAYA RECONSIDERED

Writings about globalization as hybridization make references to the sculptures of Amedeo Modigliani and to the paintings of Oskar Kokoschka. The Filipino way of copying, however, is more Warhol than Modigliani. Andy Warhol's works suggest something of what I have in mind about the Filipino way of copying. Using silkscreen printing technology and media images (e.g., magazine and newspaper pictures of celebrities such as Jackie Kennedy and Marilyn Monroe, and of events such as a car crash), as well as real life consumer goods (e.g., a can of Campbell soup or bottles of Coca Cola), Warhol brings to life new ways of presenting these images. His 250 editions of Marilyn Monroe, done in different colors, successfully show 250 versions of one image.

Pinoymail, an application of information technology to various aspects of social life such as business and media, is an example of how a global phenomenon is appropriated in the Philippines. Like

most Filipino cultural acquisitions, it is inspired and supported by a global precursor. In particular, American technological leadership and global competition helps define Pinoymail as a company that has access to the best and/or imported technologies at a reasonable cost.

For Filipinos, the "outside" world is "a place of power, wealth, cleanliness, beauty, glamour and enjoyment" (Cannell 1995:223) and the United States of America stands at the center of this world. In imagined technological communities, the attraction to the outside is not only driven by aesthetics. This orientation to the outside is increasingly being created by norms of trust and by a goal-oriented rationality, where the choice of an American product is being made on account of technological leadership, cost and speed. This type of rationality calls for a rereading of the country's relationship with the United States as a hegemonic power and a rethinking of what is generally meant by the so-called "Filipino outward orientation." Accordingly, outward orientation is notably more palpable in the Philippines than in other countries in the region such as Indonesia and Thailand, where the role of the English language and external labor migration is negligible (Mulder 2000:193). It is a common view that a lack of economic opportunities within the country conditions this outward-directed orientation, but Filipinos of all classes seem to have this mental orientation. Thus, there is a more apt explanation: the cultural bearings brought about by Catholicism and the cultural bearings brought about by the Americans have been predisposing

Filipinos to engagement with this strange but also familiar world. The American and Catholic cultural orientation therefore created a category of culturally contiguous places.

Pinoymail's mixing of local elements with global technologies indicates that the influence of the outside involves multi-directional cultural flows and when done within the framework of online epistemic communities, even dialogic. At the very least, this "outward orientation," which also implies a tradition of getting along with strangers, culturally predisposed Filipinos towards the New Economy, particularly on the way the Internet helps to create its own social capital. At its fullest potential, this "outward orientation" becomes a type of mixing that shows that the Filipino "outward orientation" is not simply about outside influence that is imposed or is willingly absorbed but is actually best described as glocalization. Anderson (1985:15) exhorts readers to think of nationalism as an invention, not in the sense of falsity but rather in the sense of imagining and creation. In this view, Pinoymail is to be seen as "copying plus." By mixing globally-accessible technologies (e.g., Linux operating system) and various cultural ingredients such as symbols (e.g., *pinoy*) and ritualized procedures (playing out minor differences between the Filipino and the rest of the world), the mixed end-product is at once distinct and not distinct from the original model. The interplay of this dualism, for example, is reflected in the way Pinoymail is being written about in a Philippine newspaper column, namely, as a "free e-mail service similar to hotmail.com." In

this sense, Hotmail provides the comparative optics through which the hybrid, Pinoymail, swings between a promotion of the local and therefore distinct from Hotmail (e.g., "this is ours") and a promotion of the global, and therefore one that is not distinct from established models (e.g., "pinoymail.com is similar to hotmail.com").

At some instances, being a Filipino does not matter: because Dom looks for technological solutions far and wide, he does not need to have Filipino programmers or Filipino technology providers. Yet in other instances, being a Filipino matters: because the barriers of entry in ethno-business are low, Dom's mental maps of the local provide him with a comparative advantage. Being a Filipino can also matter, albeit in a less positive sense: because the size of investment depends on the size of the market, Dom has to reckon with the fact that while the significance of consumption of information technologies is increasing in the Philippines, it does not compare with global figures. This alternation between distinction and non-distinction of Filipino-ness is the essence of glocalization.

In conclusion, it has been argued that the current form of globalization is best described as glocalization. The primary theme in glocalization is that of globalization that involves the creation and the incorporation of locality, which in turn supports the increasing compression of the world. This formulation is an effort to make sense of homogenization and heterogenization as complementary and interpenetrative, even though at times collisionary. This paper looks at changes

in the global division of labor (i.e., the presence of non-assembly work in a developing country) by providing particular versions of practical glocalization, dissecting each process as it promotes the global within the local, the local within the global and the move away from the global. I suggest that it is possible to examine the simultaneity and interpenetration of the local and the global at a certain point in time. Pinoymail.com, a Filipino free e-mail service inspired by hotmail.com, comprehends a whole range of acts and insights concerning the mixing of local elements (e.g., appropriation and invention of Filipino cultural formations) and global information technologies and formations (e.g., open-source software, US-based servers, Argentinean consultants, and Hong Kong programmers). Pinoymail generates two variations of an imagined technological community. One is constituted according to what could be called principles and elements of ethno-business. The other, according to what could be called an epistemic community. Alongside Pinoymail's imagined community of consumers are communities of technology providers that are permeated with the culture of knowledge creation. Within these Filipino imagined technological communities, glocalization occurs as a promotion of the global within the local, the promotion of the local within the global, and a local anchoring of the global. By dissecting glocalization into these two modes, one arrives at a view of Filipino acquisition of global phenomena as a reflexive and creative process and far from being a process of Americanization or Westernization, which implies

truncated, disembedded and imposed cultural borrowings. By focusing on cultural processes, changes within the IT industry in the Philippines—which are

so subtle when set against the basic realities of global hierarchies—are taken into account.

## NOTES

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<sup>1</sup>The changes in the global division of labor are also observable as changes in the gender order. This is apparent in the pattern of “who is doing what, where, and why” in the hitherto masculine IT industry. In the Philippine IT industry, there is an almost equal number of men and women in software development, content processing, and technical support services, although hardware development and web designing remains to be male-dominated (Saloma 2002:27). The emergence of these “female spaces” (Lachenmann 1997:3) results from a combination of a stock of well-educated Filipino women, a so-called gender-egalitarian society and the nature of information technology.

<sup>2</sup>“The National Information Technology Plan for the 21st Century” is a document that announces the vision and

the broad strategy to make the Philippines “a knowledge center in Asia” (National Information Technology Council 1997:5).

<sup>3</sup>There are no official figures, but the Philippine information technology industry claimed it had lost a considerable number of programmers who were recruited for Y2K jobs abroad (i.e., changing “two-digit years” to “four-digit years”). This particular lack of programmers in the country was especially felt in 1997 and 1998.

<sup>4</sup>I locate the Filipino ‘middle group’ in settings where content processing, hardware and software design, business applications development, and web-business solutions are performed. I associate the elite hegemonic group to the big, established names in the information technology industry (e.g., IBM, Microsoft, and Oracle) whose homebases are in the developed world. This exclusivity, however, does not extend to the ‘middle group,’ and the “group of consumers” who are found in both developed and developing countries. Underlying the group’s emergence are user-friendly technologies, the mixed practices in some fields in the IT industry, and horizontal learning structures.

<sup>5</sup>A free, advertiser-supported e-mail service from Microsoft Network (MSN) that provides a permanent e-mail address that can be accessed from any Web browser. Hotmail, launched in 1996, was developed by Sabeer Bhatia, an Indian who went for studies and work in the United States. It became the fastest growing e-mail service on the Web. It was acquired by Microsoft in 1998 for US \$400 million.

<sup>6</sup>Original Pilipino Music does not have to be composed by a Filipino (e.g., songs sang by Lea Salonga who entered the world stage in the late 1980s with her performance as Kim in the London West End production of "Miss Saigon" and as the singing voice for a number of Walt Disney movies). It also does not have to be written in Filipino or in any of the more than 80 languages in the Philippines (e.g., Gino Padilla, who became famous in the 1980s by singing together with Tina Turner for a Pepsi commercial, sings "Let the Love Begin" which, as the title suggests, is a song with English lyrics). Moreover, the performer does not have to be born and raised in the Philippines (Martin Nievera and Ariel Rivera, born to Filipino parents, grew up in the United States and in Canada, respectively).

<sup>7</sup>The peso-dollar exchange rate during the period I conducted my fieldwork

(October 1999-September 2000) was between 39–44 Philippine pesos (PhP) to a United States dollar (US\$). For all the conversions in this paper, I used 40 PhP to 1 US\$.

<sup>8</sup>Metro Manila is dotted with financial and business centers, each of which is an ensemble of skyscrapers. These centers are found in Makati (i.e., the Ayala Business Center), Manila (e.g., Binondo area), and Mandaluyong (i.e., the Ortigas Business Center).

<sup>9</sup>Number of subscribers as of September 2000 (MosCom Tarlac n.d., <http://www.tarlac.com/links/news4.htm>). When Microsoft bought Hotmail in 1998, Hotmail's user base was 60 million (Rangarajan n.d., [http://www.india-today.com/iplus/2000\\_1/profile.htm](http://www.india-today.com/iplus/2000_1/profile.htm)).

<sup>10</sup>A question may be asked as to why the David and Goliath-like problem of beating an established e-mail service is called the 'Hotmail problem.' I would suggest the first-mover advantage as an explanation. Yahoo as a navigational guide to the Web was launched in April 1995, but Yahoo! Mail, the free e-mail service was only launched in October 1997. In contrast, Hotmail was launched in July 1996, 15 months before Yahoo! Mail.

<sup>11</sup>"*Manggagaya*" refers to the act of copying and someone who copies and connotes non-originality and falsity.

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