Digital Capitalism

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DOI: https://doi.org/10.35551/PFQ_2025_2_10

Zoltán Pogátsa: Digital Capitalism

Digital capitalism is one of the most defining socio-economic phenomena of our time, fundamentally reshaping our lives. Zoltán Pogátsa's book *Digital Capitalism* (2024, ISBN 978-963-636-188-4) offers a comprehensive overview of how technological development has become the driving force of global capitalism and how it affects the economy, society, and the everyday lives of individuals. The book simultaneously presents the challenges and opportunities of the digital era, while providing an in-depth analysis of the socio-economic impacts of technological innovation. Pogátsa's work touches not only on economic but also on social and ethical issues essential for understanding the digital future. The book addresses the topic across six chapters.

Governance of Technology

The first chapter provides an overview of the social and economic role of technology, with a particular focus on regulatory issues. The author analyzes in detail how technological advancement may contribute to reducing or increasing economic inequalities. Historical examples, especially regulatory practices during the industrial revolutions, offer important lessons for 21st-century technology governance (Acemoglu & Johnson, 2023). Pogátsa emphasizes that the global influence of tech companies requires special regulatory approaches. Scandinavian examples highlight how innovation can be combined with social justice. At the same time, the author warns of the dangers of monopolies, which may limit individual opportunities and increase social polarization. Concrete cases illustrating the harmony of innovation and regulation include the inclusive model represented by Scandinavian tech companies, resulting in not only economic growth but also social cohesion. The chapter particularly underscores the role of regulation in reducing social inequalities through technological innovation, citing sectors like healthcare and education as prime beneficiaries—provided innovations are appropriately governed. However, Pogátsa stresses that weak or absent regulation can lead to serious social harm through monopolies and misuse of data.

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Chips

In the second chapter, Pogátsa discusses the role of semiconductors in the global economy, emphasizing the strategic importance of Taiwan and South Korea. The author shows how chip manufacturing has become a key factor in geopolitical conflicts and explores the challenges of achieving technological self-sufficiency (Miller, 2022). The chapter provides an in-depth analysis of the vulnerabilities in supply chains, especially disruptions experienced during the COVID-19 pandemic. He presents concrete examples of the global distribution of chip production capacities and how different stages of the process are shared among the United States, Asia, and Europe. The vulnerability of supply chains has shown that cooperation among global semiconductor actors is key to technological stability. The author highlights that increasing public support and R&D investments is essential to achieving balance in chip manufacturing. Taiwan receives particular attention as the global hub of chip production, with TSMC's dominance having a significant impact on the global tech market.

Apps

The third chapter elaborates on the social and economic impacts of digital applications and platforms. Pogátsa explains how apps have transformed communication habits and economic interactions, with particular attention to social media (Zuboff, 2019). He analyzes the gig economy, illustrating through examples like Uber and Airbnb how these innovations reshape the labor market. The chapter highlights the issue of data collection and monetization as the primary economic driver of applications. Examining the mechanisms of social media, Pogátsa points out that data collection presents not only economic benefits but also serious ethical concerns regarding individual freedoms and data protection. Digital platforms have created a new competitive dynamic in the global economy, where data-driven decision-making has become central. Pogátsa analyzes how apps alter the relationships between economic actors and affect traditional industries like hospitality and transport. Using Uber as an example, he explains the impact of digitalization on job stability and workers' rights, particularly the rise of self-employment and short-term contracts. The chapter also notes how social media platforms have reshaped political discourse, enabling new forms of information sharing while increasing the risks of misinformation and manipulation. Pogátsa underscores the importance of regulators in ensuring platform transparency, especially regarding data protection and user rights. The EU's GDPR serves as an example of how to protect consumer interests in the digital economy while fostering innovation.

Cryptos

The fourth chapter delves into cryptocurrencies and blockchain technology. The author presents in detail the functioning of Bitcoin and Ethereum and their

economic and social impacts (Popper, 2015). Pogátsa argues that cryptocurrencies are not only speculative tools but also present serious challenges to financial regulators. He also analyzes further applications of blockchain, such as modernizing voting systems and enhancing supply chain transparency. He emphasizes that blockchain offers major breakthroughs in data security and integrity, but also warns of the risks posed by inadequate regulation. The chapter shows how decentralized technologies influence economic systems, especially in international financial transactions. Pogátsa highlights that blockchain opens new opportunities for SMEs to reduce administrative costs and enhance competitiveness. However, the chapter also discusses obstacles to widespread adoption, such as energy consumption and scalability. It addresses how cryptocurrencies reshape financial security protocols, creating new types of threats and opportunities. The chapter explores the varying legal and social acceptance of digital currencies across countries, with attention to regulatory challenges. Pogátsa also discusses the social impacts of blockchain, including the possibilities and limits of decentralization. He argues that blockchain could become a pillar of future digital infrastructure if its ethical and environmental issues are addressed.

Big Tech

The fifth chapter provides a detailed analysis of large tech companies like Google and Amazon and their data-driven strategies. The author shows how these companies have consolidated market dominance by acquiring smaller firms and integrating them into their ecosystems. Pogátsa reveals how these corporations use data strategies to increase consumer dependency and distort market competition by restricting access or manipulating algorithms to favor their own products. The chapter also examines how these companies influence public policy decisions, particularly through tax avoidance techniques and lobbying. He warns that without regulation, Big Tech firms may deepen socio-economic inequalities and undermine democratic systems.

AI

The final chapter explores issues of artificial intelligence (AI) and automation. Pogátsa emphasizes that AI technologies fundamentally transform not only production but also services and education. He analyzes the labor market impacts of AI, particularly the obsolescence of low-skill jobs due to automation. He also discusses the role of universal basic income and social safety nets in addressing technological unemployment. Ethical issues such as algorithmic transparency, data protection, and biases in machine learning are also addressed. Pogátsa underscores that AI development should be guided not only by economic interests but also by societal norms and values. The chapter examines the geopolitical dimension of the U.S.–China tech race and its implications for global political and economic systems.

Finally, Pogátsa highlights AI's potential in addressing climate change and promoting sustainable development, stressing that long-term success requires attention to ethical, social, and environmental aspects. ■

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