

THE INFORMATION ERA AND ECONOMIC PRINCIPLES- SOME QUESTIONS FOR DISCUSSING

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Welcome to the 4th revolution!

- **The Industrial revolution** - mid 18th century-mid 19th century – coal, steam engine, mechanization
- **The technological revolution** – mid 19th century-mid 20th century – electricity, trains, cars, mass production
- **The computing and the internet revolution** – second half of the 20th century – the digital era
- **The information revolution** – 21st century – big data era

The Economy triangle



- Shortage
- Opportunity cost
- Choice

Shortage

- The gap between consumer's needs and production resources' capacity

Opportunity Cost

- The alternative cost of an economic decision
- Product X is an economic product if we have to giving up another product (y) when want to purchase/produce it (x)

Choice



- Choice among alternative opportunities

Information as a resource – main questions

- Will Information (and big data) become an unlimited and accessible resource to all (like air)?
- Will Information become a resource with no opportunity cost (like air)?
- Will Information become free of charge (like air)?

Economics fundamentals – classic economy v. information economy

	Classic economy	Information economy
Main resources	Tangible	Intangible
Shortage	Exists	Exists ?
Opportunity cost	Exists	Exists ?
Perfect competition	Information by few	Information by many
States' v. corporations' power	States	Corporations

What and how we are going to teach Economics in the 21st century?

- From rational economics to behavioral economics
- From “tangible” economics to “intangible” economics
- From producers-consumers economics to prosumers economics (sharing economics)



Thanks!