

Contents

Foreword	vii
Preface	ix
Part I The Economics of Information	
Chapter 1 Overview of Information Technology and the Media	3
Introduction	3
A Revolution in Information and Communications Technology	3
An overview of new technologies	4
The sequence of the information technology revolution	5
Convergence	8
Industry value chain	10
Definitions and concepts	12
Knowledge economy	15
Information economy	16
Information society	18
The Nature and Scope of Information Technology and the Media	21
The Measurement of Information and Services	22
Conceptualising the information sector	22
Input-output tables	24
Chapter 2 Basic Economic Principles and Concepts	29
Introduction	29
The Laws of Demand and Supply	31
Elasticity Measures	34

	Indifference Curves	35
	Budget Lines	37
	Price Effects	38
	Cost, Revenue and Profit	39
	Scale and Economies	41
	Economies of Scope	43
	Productivity	43
	Public Goods and Externalities	44
Chapter 3	Market Structure and Competition	46
	Introduction	46
	Market Structure	46
	Consumer surplus and deadweight loss	47
	Perfect Competition	49
	Monopolistic Competition	51
	Oligopoly	52
	Monopoly	54
	Regulating a monopoly	57
	Price discrimination	59
	Natural monopolies in telecommunications	60
	Public Policy and Competition	61
	Who's Who in Competition	64
	Information technology	64
	Hardware	64
	Software	66
	Services	66
Part II	Players and Markets in Information Technology and the Media	
Chapter 4	Information Technology and Media Markets	71
	Introduction	71
	Terminology and Etymology of the Mass Media	71
	The role of the mass media	73
	The Telecommunications Industry	74
	Origins	74
	The Computer Industry	79
	Origins	79
	Computer hardware	80
	The economics of computer software	81
	The Broadcast Industry	85

Transmission and delivery modes	85
Payment and revenue modes	87
Broadcast Television	87
Origins	87
Organisation	89
Programme production and the sale of broadcast rights	89
Programme packaging	91
Television networks	91
The delivery of programmes	93
Cable and Satellite Television	94
Origins	94
Distribution, convergence and competition	94
Radio	96
Recording and Motion Pictures	97
Recording	97
Motion picture	97
Newspapers	98
Chapter 5 Government Intervention and Regulation	101
Introduction	101
The Theory of a Public Good	101
The Principal-Agent Theory	102
Approaches to Intervention	104
State-Owned Enterprises	105
Information as a Public Good	107
The Role of Government in Information and the Media	109
Civil society	109
Broadcast and cable television	112
Telecommunications	113
Newspapers	114
Chapter 6 Information Technology, Labour and Employment	116
Introduction	116
New Economics	116
New capitalism	116
Globalisation	117
Knowledge economy	119
Technological and employment trends	120
The Economic Impact on Work	123
Rethinking work	125

	The effect on productivity	128
	Outsourcing	129
	Contingent labour	130
	Part-time employment	131
	Job sharing	133
	Displaced and discouraged workers	133
	Downsizing	134
	Sufficiency of jobs	138
	Social contract and class distinctions	140
	Unionisation	142
	Spatial issues	143
	Gender issues	144
	Impact on older persons	146
	Other social issues	147
	Human Resource Development	148
Chapter 7	Technology and the Market	151
	Introduction	151
	Technological Trends and Developments	153
	Technology in the electronics industry	157
	Artificial intelligence	162
	Virtual reality	162
	Technological Convergence	163
	Synergy, convergence and multimedia	165
	The Architecture of Computer Technology	166
	The Economics of Networks and Social Capital	168
	ISDN	171
	Internet	172
	Electronic commerce	176
	The globalisation of technology	179
Chapter 8	Information Management	181
	Introduction	181
	The Nature of Information Management	181
	Concepts and definitions	181
	Managing change	183
	Change and progress	184
	Reengineering	185
	Definition	185
	Reengineering and work	185

Reengineering and unions	188
A business diamond	188
Porter's diamond	189
Business Process Reengineering	190
Learning Organisations	191
Systems thinking	192
Personal mastery	193
Mental models	193
Shared vision	194
Team learning	194
Tools for Information Management	194
Information audits	195
Benchmarking	195
Other tools	196
Part III Public Policy and the Global Economy	
Chapter 9 National Information Policy	199
Introduction	199
A Framework for a National Information Policy	199
National Information Infrastructure	201
Broadband capacity	203
Data compression	203
Network intelligence and flexibility	204
Networked computer servers	204
Interactive capabilities	204
Multimedia services and applications	204
Intelligent information applications	205
Navigational tools	205
Problems and Issues	205
Gatekeeper	205
The role of the government	206
Digital paradox	206
Abundance, not scarcity	207
Policy implications	207
US policy	208
Chapter 10 Information Technology and the Media in the Global Economy	210
Introduction	210
Global Information Infrastructure	211

International Trade in Services	213
The relationship between trade and infrastructure	213
The General Agreement on Trade in Services	215
Issues in trade in services	216
Global Trade in Telecommunications	217
WTO Basic Telecommunications Agreement	218
WTO Information Technology Agreement	219
Trade-related intellectual property	221
Chapter 11 Issues in Media and Information Economics	223
Introduction	223
Equity	223
Haves and have-nots	223
Universal access	225
Falling costs	226
Developed versus developing world	227
Privacy	228
Perverse privacy	230
The Legal and Regulatory Environment	230
The role of the government	230
Cyberlaw	231
Screening	233
Intellectual property rights and piracy	233
Piracy rates	235
Competition	237
Socio-Political Issues	237
The clash of civilisations	237
Culture industries	238
The civil society and democracy	239
The global village and politics	239
American pop culture	240
Social base	241
Government and the nation-state	242
Part IV Information Technology in the Asia-Pacific	
Chapter 12 Trends and Applications in the Asia-Pacific	247
Introduction	247
Geographic Shifts in the Electronics Industry	249
Factors for the global shift	250
Distinctive features of the semiconductor industry in Asia	251

The national electronics industry	254
The United States	254
Japan	255
Western Europe	256
South Korea	257
Taiwan	258
Singapore, Malaysia and Thailand	259
Hong Kong and China	263
Latin America	264
International economic competition in electronics	264
Trade conflicts	268
Singapore's National Information Infrastructure	270
Broadcasting	271
Telecommunications	272
Cable television	273
Satellite broadcasting	274
The national information infrastructure	274
Malaysia's National Information Infrastructure	278
The Multimedia Supercorridor	278
Telecommunications and broadcasting	278
Hong Kong's National Information Infrastructure	280
Telecommunications and broadcasting	280
Comparative Analysis and Issues in the Rest of Asia	283
Democracy	286
Censorship	287
Privacy	288
Intellectual property rights	289
Equity	290
Culture	291
An Asian dilemma: the case of Singapore	293
Conclusion and Policy Implications	296
Lessons from developed countries	296
Policy implications	299
Glossary of Terms in Information Technology and the Media	303
Bibliography	317
Index	333