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HOW TO “CONSUME” INFORMATION?

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In classic economic theory and practice, the terms and definition of “consumption” was more than obvious. For instance, in a supermarket, you purchase a cabbage, you cook it, eat it, and the cabbage disappears. That process is the simplest example of “consumption”. The analysis of this familiar transaction, however, is consisted of five major characteristics.

1. CONSUMPTION OF GOODS

(1) OWNERSHIP In the first place, in ordinary business exchange, there is a transfer of ownership of the commodity. A cabbage, after several sales processes, had been owned by the store, until the time when the vegetable was sold to you who paid certain amount of money. You are the owner of the cabbage, and you are free to use it at your disposal. You may boil it, fry it, or eat it as an ingredient of the day’s salad. Unused portion may be given to your pet birds, or you can simply discard it. The cabbage belongs to you, at any rate, after you bought it.

(2) DEPLETION In the second place, the cabbage dose not physically exist after a meal or two. It might be stored in your refrigerator or on your kitchen table temporarily, but in a matter of few days, it will be gone. Therefore, in order to survive, or to satisfy your taste, you must go out for shopping to purchase next week’s stock of vegetables. Another example. You purchase several litre of gasoline at a service station. You drive a car, and the gasoline is consumed and with chemical process, it is exhausted through exhaust pipe.

(3) SATURATION In the third place, in the backgrounds of “consumption”, there is a basic economic principle of supply and demand, which determines not only the price of a commodity, but also total economic structure. If farmers produce vegetables which exceeds the demand, the price goes down, and visa versa. These facts and principles belong to our everyday life common sense. For example, we cannot consume too much foodstuff. A young and vigorous person may have such strong appetite to eat three Big Mac at the same time. But an ordinary stomach does not accept more than one regular hamburger, french fries, and a glass of Coke. In a word, human body has its physical limit to consume goods. Clothes, too. Half a dozen of suites, jackets, several shoes, and other
minor items are just enough to let you be in good shape. Ladies may need more, but, at last, each individual has only one body. Therefore, usually, there is a limit of demand.

(4) LIABILITY The fourth point is "liability". A cabbage you have was originally grown by a farmer. But, the farmer had to observe certain rules and regulations to grow his vegetables, such as the quality and quantity of chemical fertilizer, the way to transport the agricultural products. Supermarket manager who sold you the cabbage must be responsible for the freshness of the cabbage. Very often, regulations on "product liability" are adopted by governments, and the manufacturer of milk, for instance, must print the exact date of production and the limit of reliability in terms of sanitation. Automobiles, refrigerator, camera, and many other industrial products must meet with "industrial standard" set by respective government or by international organizations. At the same time, in ordinary commercial transaction, there are many restrictions, both legally and morally. For example, selling and buying of firearms is strictly forbidden in most of the countries. Poisonous chemicals can be traded only under severe regulations. Even simple goods such as food, tools, toys, and other everyday life consumer commodities are directly or indirectly controlled to see their safety. Product Liability is now obligatory for manufacturers and distributors today.

(5) INTERNATIONAL FLOW The vegetables we consume are usually made in our respective country. But, with the increase of international trade, many agricultural products today are imported. A cabbage sold in Singapore, for example, is quite probable that its original place of production is either Malaysia or Indonesia. More than 60% of foodstuff consumed in Japan are imports. Grains from North America, shrimp from Thailand, beef from Australia, and so forth. Without export and import of goods, we cannot survive in today's world. German automobiles, French wines, Swiss watches, electronic products made in ASEAN nations and East Asia, and other industrial products can be found in any place. Indeed, our economy is "borderless", and we appreciate economic interdependence among nations. However, it also is true that "free international trade" in pure sense of the term does not exist because of conflicts of interests between nations. French farmers, for instance, are resisting against importation of agricultural products, and American government accused Japanese computer manufacturer on the basis of "unfairness" of pricing. Above all, poor countries cannot buy all necessary products from abroad, while the peoples of rich nations are enjoying relatively affluent life.

II. "CONSUMPTION" OF INFORMATION

Now, at this "information age", we are said to be "consuming information". The basic question here is, keeping these four elements in mind, whether what we are doing is really "consumption" in its strict and classic sense of the term. The answer is absolutely negative. The differences between ordinary goods and information are as follows:
(1) NON-OWNERSHIP In the “information market”, it is very hard to say that the selling and buying involves transfer of ownership. Books, as a tangible objects, are sold and purchased at bookstore, and a book as a physical object can be owned by us. But books are not information. They are merely vehicles which contain information. The authors may seem to be the sellers, but they can insist to be the owner even after their publishers put the books in the market. Strangely enough, the ownership of particular information is protected by the laws and regulations called “copyright”. Recent years, the information products are called “intellectual property”, and that property right covers not only genuine intellectual products but also totally unintellectual, even anti-intellectual cheap “properties” such as pornography. At any rate, it is the clearly agreed that the owners of information are the authors (sellers), and the readers (buyers) of the books, cannot claim that they own information even though the fact that they purchased the books. From ordinary commercial transaction, this arrangement seems to be very strange. The farmer, supermarket store manager, and other parties who originally owned a cabbage cannot be the owners of their commodity any more once the vegetable was sold to a customer who paid the price. But as far as information market is concerned, the producer is the owner of his/her product forever after the product is properly sold to somebody else. At the same time, it should be noted that the originals of the information remains in the hands and heads of the seller after business transaction. We read books and obtain information, but the same information are still with the author. In other words, information, contrasting to other tangible merchandise, is something to be shared and not to be owned exclusively by the original producer/owner. Even for a non-English speaking person, the term “publication” seems to mean that the product is submitted to “public”.

(2) NON-DEPLETION As to the second element, i.e., the durability of the “commodities”, information are characterized by their permanent nature. Of course, in regular merchandising, we know that there are many “durable goods”, such as automobiles and household electric appliances. You can drive a car for several years, sometimes more than twenty years. Your vacuum cleaner may have been working in past seven years. However, they must be replaced, after many years’ use, because they are worn out, or they became simply out of fashion. At any rate, “durable goods” are not durable at all, except for archeological or historical treasures which do not have any practical use. Quite contrary, information are forever. We still read the words of Confucius, Plato, and other great thinkers and philosophers many centuries ago, and the contents of these words are not obsolete. They are different from a vintage car which has only antique value. Their voices are always fresh and suggestive. They never exhaust. A cabbage cannot keep its freshness, information, though we cannot generalize, can be timelessly fresh.

(3) NO SATURATION The third point. The limit of demand. Unlike tangible objects and commodities, economic theory of supply and demand does not work in information market. As mentioned before, in regular market place, the balance of supply and demand makes economics at work. And if the supply exceeds demand, production control and other measures must be taken, otherwise, the market will be hit by panic. The total need for rice of a country, for instance, is usually foreseen and planned by the government or
public agencies, and depending on the figure, farmers are encouraged or discouraged to produce certain amount of rice. Manufacturers and distributors of all commodities, without exception, must observe market situation carefully so that they won’t face overproduction or underproduction in order stabilize the market and commodity price. This supply and demand scheme is the key for economic policy and economic growth of a given country as well as world economy. However, we cannot see any “overproduction” of information. Actually, we cannot consume all information produced everyday and every moment, and looking at this tremendous amount of information coming to our eyes and ears, many of us argue that we are facing with “information overload”, as if we are almost drowned in a swimming pool where water is increase of water cannot be stopped. It is quite true that nobody can read all books and newspapers, listen to all radio broadcasting, and watch all television programs. In addition to these mass media, we are supposed to join with many meetings, conferences, visitors, casual conversations, telephone calls, letters, E-mails, and many other information activities. Because of the gigantic amount of tremendous information around us, it is natural to say that we are surrounded by “too much information”.

Indeed, our nervous system, like our stomach, has its limit of intake. However, regardless of the degree of our mental appetite and demand, the production of information can be an endless matter. In short, there is no “over-production” of information. You can continue to talk as long as you wish, you can sing at a Karaoke parlour all night. The information thus produced may be consumed by somebody, but even without any “consumption” you can “produce” information at your disposal, and nobody cares. Automobile industry will suffer from serious economic panic if the sales goes down and their product is “over-stocked” because of decrease of demand. But information industry is different. The supply and demand equilibrium has nothing to do with information market. As a matter of fact, an automobile is something to use. You do not need three cars in your household unless you are a collector of cars or you have an extraordinary big family. A car or two is enough for an average citizen. In contrast to these goods, books, for instance, are not necessarily to be used. A well known author once remarked that “books are to keep, not to read”. The den of a scholar is surrounded by thousands of books, but that does not mean that the scholar has read, or planning to read “all” books he owns. Very often, nice books displayed in a private study or “library” are simply a part of interior decoration and a token which suggests that the owner of that elegant space is a devoted intellectual. Still, the display will impress the spectators. On the other hand, if a person say “canned foods are to keep, not to eat” and show big shelves full of canned soup and instant coffee, people will think that the person is not sane.

At any rate, to say that we are “overloaded” by information is a fallacy. If you feel that you are “overloaded”, it is your fault, because there is no need to “consume” so much information which exceeds your capacity. It is like a person who say that he does not feel good after he ate too much food at a buffet dinner. Of course, there may be anxiety on the part of an individuals who feel that they do not have much information, especially in their professional life, because “to consume” information is an extremely strange and complicated matter which cannot be compared with usual material consumption.
(4) NON-LIABILITY In the fourth point, let us pay our attention to the problems of restrictions. As mentioned before, in regular commercial transaction, product liability and other regulatory measures are taken by public agencies or by consumers, and as the result, we scarcely encounter with unreliable commodities. Contrasting to these customary arrangements, there is practically no control in information market. Of course, in some countries, censorship by the government is still in existence, and in the area of mass communication, certain ethical rules were executed by media themselves. At the same time, “monitoring” is practised by public or private agencies. However, “freedom of expression” and “the right to know” and other rights are counted as one of the basic human rights, and as the result, conflicts of interests, such as privacy versus “information disclosure”, takes place almost everyday.

(5) BORDERLESS-NESS In international information market, the situation is much complex and often worse. For example, in Internet, an anonymous person once posted a dangerous information about how to make chemical weapon. It is said that few weeks later, the chemical weapon which was prescribed in the home page, was used by anti-government terrorist group of certain country. A French researcher discovered the fact that 60% of “money laundering” of drug transactions are being done through Internet. At last, Internet is an electronic “phenomena” and not a “system”, and therefore, nobody can control the contents as well as the producers of information. Internet in itself is a great achievement, and many of us are profited by the network, but at the same time, very often, one cannot detect who are responsible for a particular information. In other words, there is no restriction in information exchange. Moreover, unlike tangible commodities, information is free from international trade regulations. A person can make a phone call from Kuala Lumpur to any point of the world, thanks to the advance of international telephone network. A person in a communist nation can have easy access to shortwave radio broadcasting originating in a capitalist country, and visa versa. Internet is everywhere, and even an extreme totalitarian government cannot watch each individual’s computer terminal.

III. ASIAN PERSPECTIVE

Keeping these characteristics of information and their market structure in mind, we are forced to come to queer and unfamiliar experiences, and nobody so far gave us comprehensive explanation. And here are two of my tentative thoughts especially from Asian perspective:

(1) INTELLECTUAL PROPERTY

As suggested before, the concept of “intellectual property” is somewhat strange one. Indeed, it is a product of modern Western thought accompanied by “individualism”. As a matter of fact, it was late 19th century or mid 20th century when most of Asian countries adopted copyright law. And traditionally, for Asians, if one’s writing is quoted or cited by others, it was felt as an honour, not as an “invasion of human right”. This question is
something to be reflected and considered as a profound philosophical problem. Indeed, to "publish" meant to put an intellectual product in "public", and once it is recognized as a public property, it may be thought as a public property, just like a public park. In this great country, most of the people are Moslem, and their practice of devoted rituals are impressive. The words of their great thinkers and teachers have been recited everyday for centuries by millions of people. Are these words "copyrighted"?

(2) RICH AND POOR Asian countries, especially those developing countries, claim themselves as "information poor" in the sense that they do not have much opportunities to access major information sources. That was true a decade ago. But toward the end of the century, thanks to their amazing economic success, most of the nations now have sophisticated communication infrastructure. Of course, within a nation, the gap between those who have tremendous amount of information and those who do not cannot be disregarded. The gap should be bridged. However, those who seem to be "information poor" may be "information rich" if you take different perspective. It was some 40 years ago when Gregory Bateson, who inherited great tradition of George Herbert Mead, proposed the importance "intra-personal communication" which means the series of dialogue within your head, or "thinking". When we say "information rich", it implies those who have access to numerous information through various media and who suffer from "information overload". These people, unfortunately, usually do not have much time for "intra-personal communication", or "thinking", because they are too busy in reading newspaper, watching CNN, hanging on their portable telephone, browsing Internet pages, and so forth. The basic question here is if those "information busy" people are really "information rich" people. Profound thinking, without much talk, which has been a good virtue and tradition of Asia, does not mean "information poor".

(3) IMPORT AND EXPORT

As economists tell us, the whole world are living on mutual interdependence. The peoples of the globe cannot survive without each other. Exports from Asia, especially ASEAN, to other parts of the world is growing day by day, and it is no wonder that the growth of the region is regarded as a "miracle" by many observers. Not only agricultural products, but also many industrial products such as electronic goods are made in Asia and exported. The huge number of vessels and their congestions in Malacca straight is nothing but to indicate how vigorous our contemporary international trade is. Indeed, it is a dynamic symbol of international interdependence.

By saying so, however, we must admit that international interdependence in the area of information market is not in existence in reality. As suggested elsewhere, we are "consuming" information here in Asia, but considerable amount of information surrounding us are "imports" from North America and Europe. It is ironical and amusing to reflect that the movies we watch at home and hotels are mostly the ones which were produced in Hollywood. The news we are getting are reported through BBC or CNN. Sometimes, peoples of this region find their image through these mass media which originate from the "West". On the contrary, it is very rare to find news and entertainment
made in Asia which covers the world. Some martial art action comedies made in Hong Kong are popular, but both absolute and relative figures of the amount of information originating in Asia are almost none, despite the efforts of news service agencies in the region. In other words, we are facing with "trade unbalance" in world information market. Asia imports too much information from outside, and export to little. In ordinary commodity trade, GATT, WTO, and other international organizations will take some actions if they find extreme trade unbalance, but that principle does not work in the area of information market. It will be redundant to repeat "new information order" issue again here, but one of the urgent task for information industry and information related practitioners and researchers in Asia is to find a new way to "communicate to" the rest of the world while to be open to "be communicated to" by the others.
THE INTERNET: TAKING IT TO THE NEXT STEP

Dr. George Sadowsky
Derrik Khoo
Dr. Edna Reid
TOPIC: The Internet: Taking it to the Next step

* Expanding uses of Internet and future trends.

* Risks and potentials of global business through the Internet.

BIODATAS:

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Dr. George Sadowsky from Yale University is a vice-president of the Internet Society. He has created a computer centre for the Brookings Institution and he is responsible for Microcomputer Product Centre. The use of computers for revenue estimation in the US Treasury Department was introduced by him.

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Mr. Derrik Khoo, the President of the Brave & Bold Sdn Bhd created the Management Times, a New Straits Times newspaper pullout section on management and leadership. Along with his brother, he was adjudged winner of the 1987 Journalism Prize (English) by the Malaysian Press Institute.

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