



The New Economics of ICT:

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Agenda

- **Overview**
- **Poverty of Theory/Policy**
- **Examples**
- **Future Research**
- **Sumnmay/Conclusion**

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- **Overview**

Overview

- **Neoclassical Economics**
 - ▶ **Deductive**
 - ▶ **Closed form solutions**
 - ▶ **Seductive**

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 - ▶ **Deductive**
 - ▶ **Closed form solutions**
 - ▶ **Seductive**
- **Alternative views**
 - ▶ **Experimental, behavioral, developmental, institutional, complexity and network economics**

Overview

- **Neoclassical economics**
- **Alternative views**
- **Two Directions**
 - ▶ **Larger context**
 - ▶ **Holistic/broad environment**

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- **Poverty of Theory/Policy**

Poverty of Theory/Policy

- **Lack of Understanding**
 - ▶ **Competition**
 - ▶ **=> Failure of Deregulation**

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 - ▶ **Competition**
 - ▶ **=> Failure of Deregulation**
- **Lack of Theory**
 - ▶ **Dynamics missing**
 - ▶ **Efficient Market incorrect**
 - ▶ **Institutional/contextualization**
 - ▶ **Behavior missing**

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Examples

- **Incorrect Theory**
 - ▶ **Competition**
 - ▶ **Scale Economies**

Examples

- **Incorrect Theory**
- **Theory Lacking**
 - ▶ **Dynamics missing**
 - ▶ **Efficient Market incorrect**
 - ▶ **Behaviour economics lacking**
 - ▶ **Institutional/contextualization**

Regulatory Models

- **Valuation Models**
 - ▶ **Static/Comparative Static**
 - ▶ **No real options**

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- **Growth Models**
 - ▶ **Certainty**
 - ▶ **Complete information**
 - ▶ **Exogenous depreciation**

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 - ▶ **Exogenous depreciation**
- **No Link w/ Financial Markets**

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