MITIGATIVE MEASURES AGAINST THE ECONOMIC AND SOCIAL PROBLEMS IN POST-DIGITAL ECOSYSTEM

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DIGITAL ECONOMY

The digital economy can be defined as the new economic system and production method which is the result of changing production factors and business processes.

SOCIETIES ACCORDING TO PRODUCTION METHODS

1. Agrarian Society

2. Industrial Society

3. Information Society

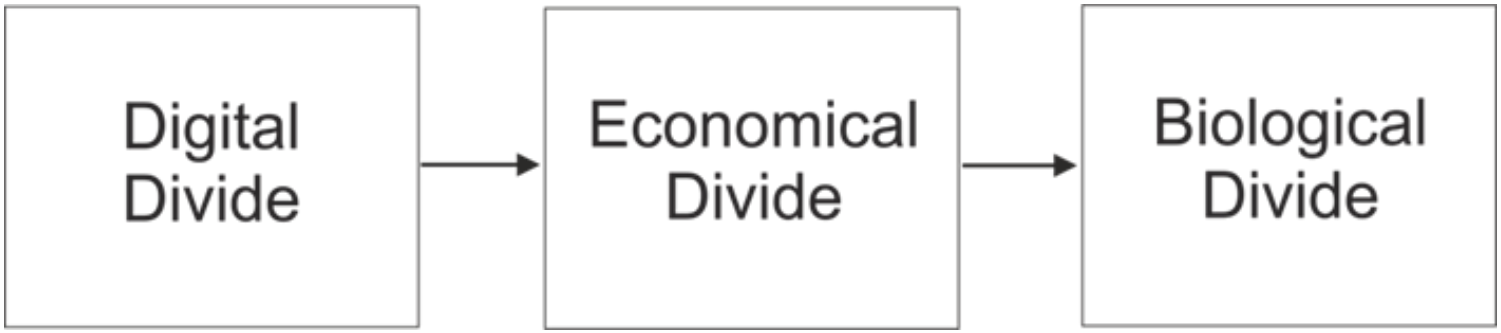
- The basic driver in the information society is not money, but information
- The most important production factor in the digital economy is information

NEW ECOSOCIAL SYSTEM (NES)

- "New Ecosocial System" characterize the digital economy beyond economy

- However, beyond the new ecosocial system, humanity is awaiting a new system that can be called as the Post-Digital Ecosystem

DYNAMICS OF POST-DIGITAL ECOSYSTEM



THE DYNAMICS OF THE POST-DIGITAL ECOSYSTEM

- The **digital divide** refers to the unequal distribution of technological infrastructure usage within society.
- On the one hand, a **computer user** who takes advantage of communication possibilities.
- On the other hand, there is a **class devoid of basic communication facilities.**

THE DYNAMICS OF THE POST-DIGITAL ECOSYSTEM

- There is a relationship between **income level** and **internet access**.
- Today, all the **routine works** are taken over by machines.
- Therefore this causes **economic inequality**.
- Humanity is moving towards immortality through biotechnical applications, but this is only for the rich. This causes **biological division**.

DISRUPTIVE TECHNOGIES

- Internet brings about fertile ecosystem for the **disruptive technologies**.
- These technologies **eliminate many business lines** but do not create the same amount of jobs since it requires less labor.
- The **product life cycle** is getting shorter and technological developments are getting faster.

DISRUPTIVE TECHNOGIES

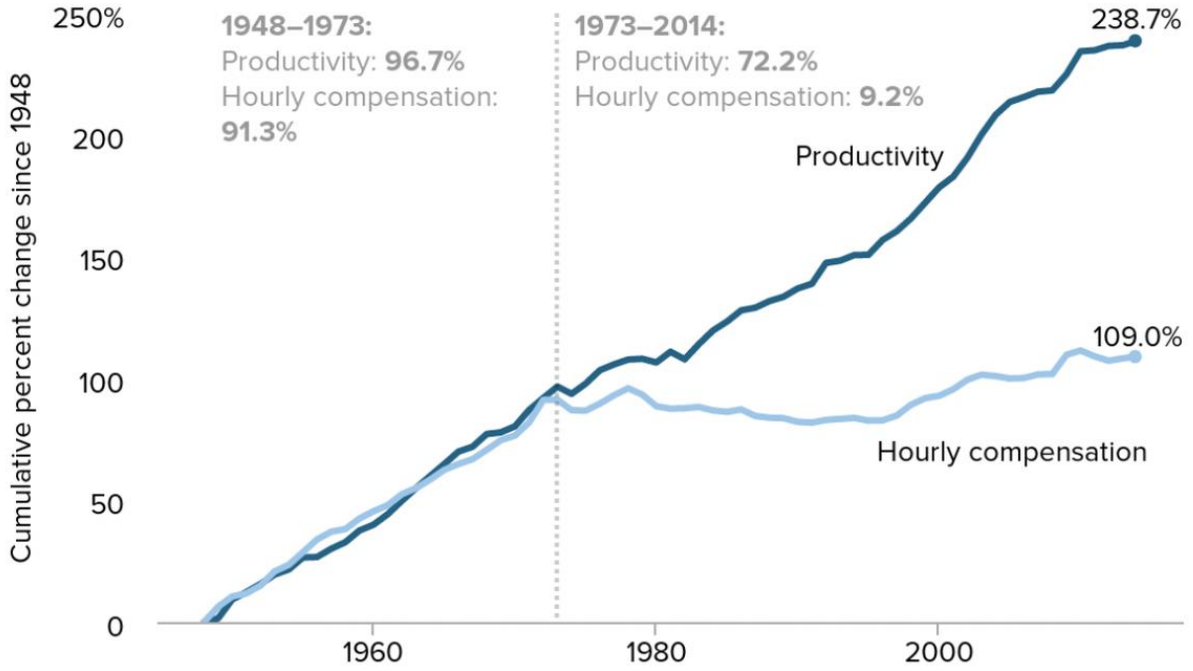
- Blockchain
- Internet of Things
- 3D Printers
- Artificial Intelligence
- Machine Learning
- Quantum Computing

SECURITY COMMISSION REPORT

- China and Russia plan to use AI autonomous systems which have capabilities to undermine U.S. Military superiority.
- Global stability and nuclear deterrence could be undermine by AI systems.
- AI will accelerate the already serious threat of cyber-enabled disinformation (deepfakes).

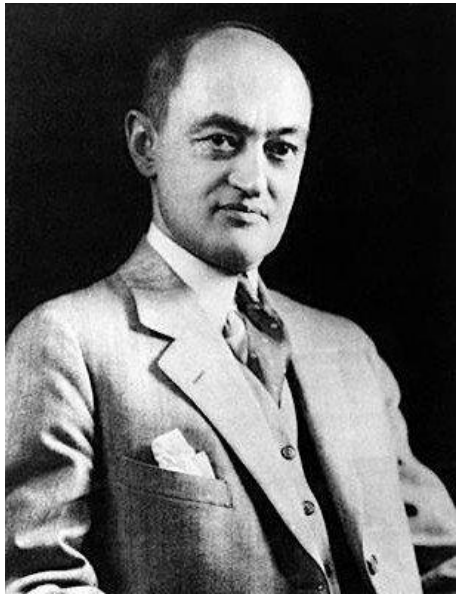
DECREASING NEED FOR HUMAN

PRODUVTIVITY vs HOURLY COMPENSATION



Note: Data are for average hourly compensation of production/nonsupervisory workers in the private sector and net productivity of the total economy. "Net productivity" is the growth of output of goods and services minus depreciation per hour worked.

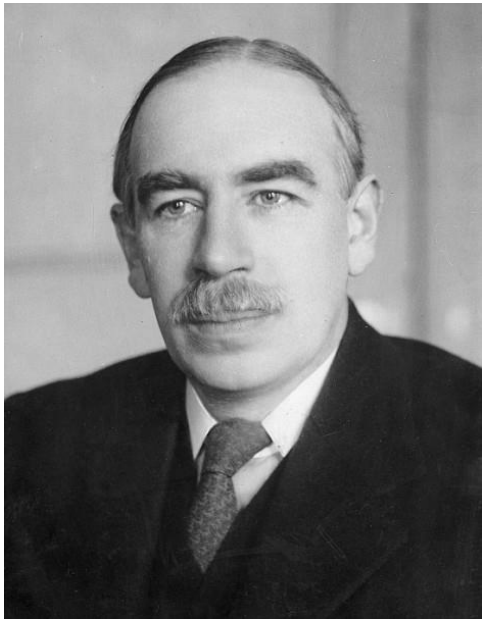
CREATIVE OR DISRUPTIVE?



Joseph Alois Schumpeter

- Creative Destruction
- Luddite Fallacy

ABUNDANCE ECONOMY

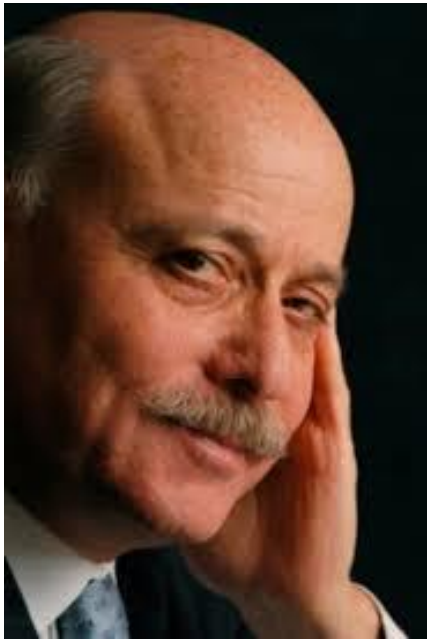


John Maynard Keynes

Economic Possibilities for our Grandchildren (Keynes, 1931)

- Referring to technology-borne unemployment
- He calls the future as age leisure
- But he defines technological unemployment as a disease infecting humanity

ABUNDANCE ECONOMY



Jeremy Rifkin

- The Zero Marginal Cost Society: The Internet of Things, the Collaborative Commons, and the Eclipse of Capitalism
- Sharing Economy
- Sustainable abundance in the age of colloboration

VICIOUS CYCLE

Martin Ford

- Rise of artificial intelligence
- Unemployment
- Insufficient Demand
- perishing human skills

COLLAPSING CAPITALIST SYSTEM

- Increasing efficiency
- Unemployment
- Demand Uncertainty
- Unlimited Fiat Money

FINANCIAL CATACLYSM

Erkan Öz

- Colossal tectonic shift
- Information economy replace money economy
- End of money drived production

SINGULARITY

Ray Kurzweil

- Artificial intelligence will surmount human intelligence
- Singularity
- The world belongs to computers

SYNTHETIC BIOLOGY - XNA

MITIGATIVE MEASURES

1- Governments should encourage investments with regard to artificial intelligence. Need for the human intervention to the business processes should completely be eliminated.

2- Governments should invest in renewable energy facilities and allow the firms to produce their own energy. Energy should be supplied to the production centers free of charge.

MITIGATIVE MEASURES

3- Governments should encourage investments in the Internet of Things, 3D printers, autonomous driving technologies and robotic warehouses, etc. Bringing transportation charges to a minimum level. Besides, waste of time due to transportation should be eliminated from the supply chain.

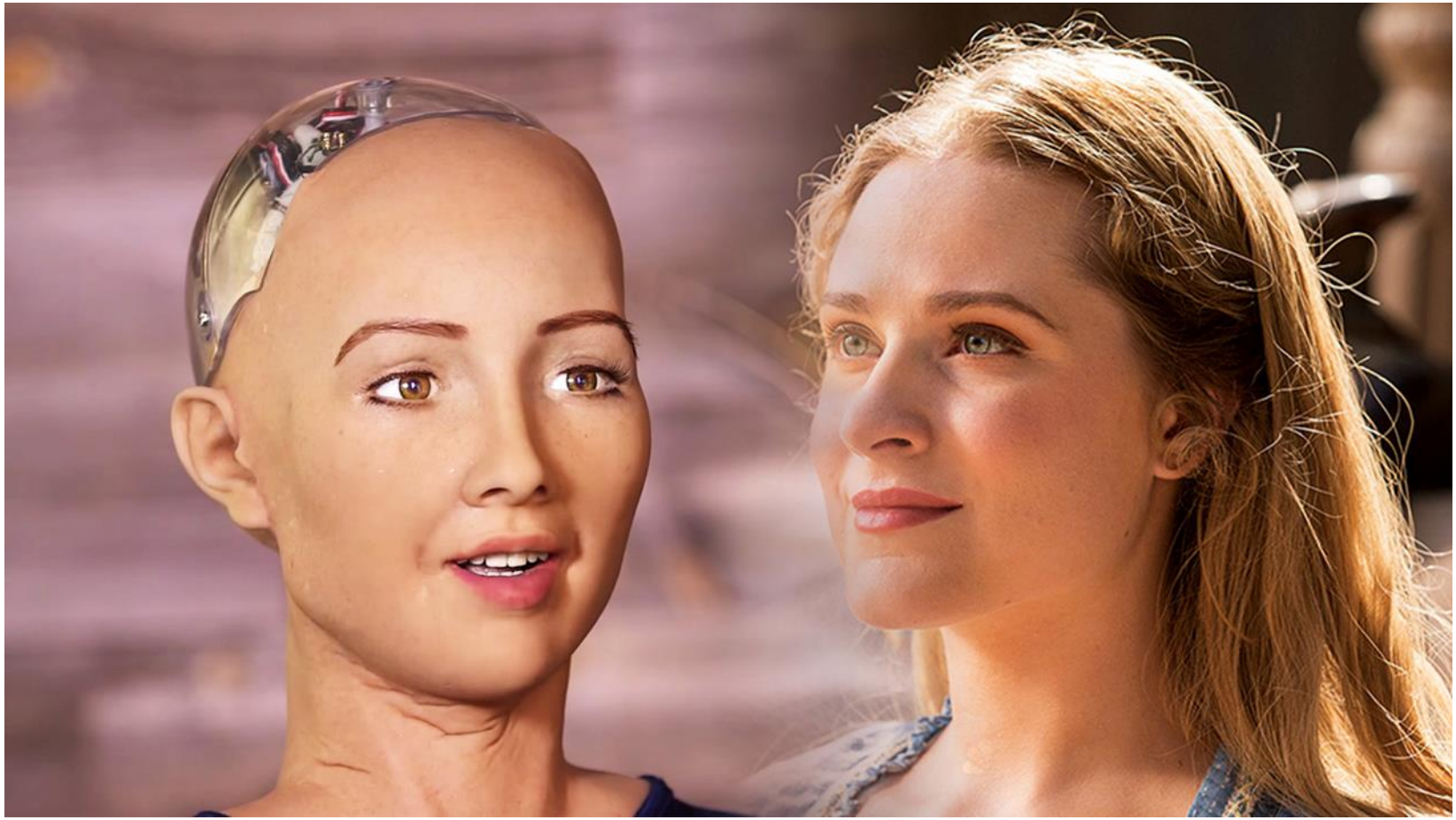
MITIGATIVE MEASURES

4- Governments should intervene in the production processes in order to reduce the importance of the capital among other production factors. Then, profit pressure will be removed on the price of the products.

MITIGATIVE MEASURES

5- Governments should reduce economical divide. All citizens would be paid a universal basic income. The government can use universal basic income as a social control mechanism. Citizenship score can be calculated according to the contribution to the society and ethical behaviors. And basic income payments can be adjusted according to this score (social credit system).

- Aimlessness will be the end of human superiority in the world.
- Human basic needs will met by machines and human skills would perish



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