

Kudunomics: Information and Property Rights in the Weightless Economy

Samuel Bowles
Santa Fe Institute and University of Siena

Abstract

Why is a good idea like a kudu? For most of human history – the first 90,000 years of it at least – valuable resources such as kudus and other large game were difficult to own individually and as a result when captured, they were shared. The emergence of agriculture 11,000 years ago allowed for the evolution of the modern idea of individual property rights in land, domesticated animals, goods and other valuable contributions to our livelihood.

But the resulting economy of grain and steel is being displaced by the economy of ideas and information. In the new weightless economy most goods cannot be weighed, measured, or fenced. Good ideas are indeed like the large game that once formed a major part of our subsistence: the pursuit of a new operating system, a new drug, or a hit tune is uncertain, and when the hunt is successful, it is not only wasteful not to share the prey, it is often impossible to prevent it from being stolen.

I provide a history of the long term development and transformation of property rights drawing on recent behavioral experiments in hunter gatherer societies. I also use computer simulations of how systems of property rights might respond to the challenges of the weightless economy. Will the reform of intellectual property rights succeed in domesticating the kudu? Or will innovations like Linux and Napster remain more valuable 'in the wild'.

FINANCIAL TIMES
Friday, July 27, 2007

Microsoft wins US appeal court battle against break-up

Software giant's shares surge following antitrust decision

