Why this time it's different

A lot of people on this forum have said that this time it's different but no one, to my recollection, has said why it's different. So, I'm going to take a crack at it.

If my memory serves me right, Charles A. Reich defined revolutions in his best seller "The Greening of America; How the Youth Revolution Is Trying to Make America Livable." A revolution happens when power moves from one economic group to another: In the case of the Agrarian Revolution, power moving into the hands of the land owners; in the case of the Industrial Revolution, power moving into the hands of the owners of capital. By this same definition, the French Revolution and the Socialist Revolution were not revolutions at all, but mere coups d'etats, a change of one power elite for another without an underlying economic change. (In Russia, power moved from the Tsars to the Soviet but the economy did not really change. In France, power also moved from royalty to political parties but the economy did not really change.) Curiously enough, Reich's Youth Revolution is also not a real revolution because some political power was removed from government but the economy stayed intact.

What is different now?

The Information Revolution is moving the seat of power from one group to another. Or rather, it is moving several seats of power from one place to another.

The one most visible so far is that governments no longer have control over the money supply. This control has moved to the traders. Would you believe that Greenspan and the Fed have about as much control over the economy as Queen Elizabeth II and British Royalty have over British politics? Well, you should believe it. Don't you remember that George Soros and his fellow money traders broke the Bank of England and that they forced the Asian recession when the local governments tried to artificially price their currencies? Let Greenspan get out of line and Soros and his fellows will give him a good spanking!

The Internet is moving a lot of power away from the suppliers and towards the customers. It is so much easier to do comparison shopping on line than on foot that suppliers are losing pricing power. Many more products are becoming commodities and commodity prices tend to fall with supply while "administered" prices do not because suppliers can manipulate them better.

The Information Revolution is a true revolution because, for the first time in history, power is moving to the masses. Governments no longer control the money supply and suppliers no longer control prices. This is a huge shift in power. The fact that many items are becoming commodities and therefore less expensive also benefits the masses because it increases their standard of living without additional work on their part.
With so much power being dissipated, what happens to gorilla power? It, too, tends to disappear. I have a feeling that the build out of the Telecosm infrastructure may be the last economic event that will support gorillas, so enjoy them while they last.

Who will be the winners of the B2B and B2C Internet economy? I think it is way too early to ask that question. Only time will tell. But the build out of the Telecosm infrastructure could be with us for another 5 to 10 years and that is where I plan to be invested for now.

Denny