

5 th lesson Information industry

In the information society, the emergence of the information sector is highlighted as an important sector and a fundamental driver of the rest of the traditional economic sectors - agriculture, industry, services - and economists add this sector to become the fourth sector, the information sector. The production, processing and distribution of information has become an important economic activity for many countries

1. The concept of information economy:

The definition of an information economy is one where there is greater value in knowledge and services than in manufacturing. The term "information" in this sense can be a product that is created such as software or a television show, as well as the research that is used to create an easily duplicated physical product. An information economy can relate to the value of information needed to create items as well as the trading of information that may give one group an advantage over another in the marketplace. As manufacturing has come to the point where it is much less expensive to replicate a product once the first version is made, there is a great amount of emphasis on the information used to produce the first iteration of a product. A lot of time and expenses go into the information that creates a product that may not exist when copies follow¹.

The prominent feature of information societies is the emergence of a new economy called the information economy due to the sweep of information as a resource for development on the one hand, and the information industry sweeping away all human activities on the other hand, including agriculture, industry, and services, and the vast

¹ *Peter Crain*, Information Economy | Definition, Characteristics & Examples
<https://study.com/academy/lesson/information-economy-definition-characteristics-examples.html>

majority of the labor force is directed to this sector, and economists estimate that it contributes more than 50 % of the gross domestic product of developed countries during the period between 1970 and 1994, and thus it became a prominent sector that drives the countries' economies².

2. The concept of the information industry:

It is not possible to talk about the sectors of the information society before going over the concept of the information industry. Nariman Ismail Metwally mentioned in her book Information Economics, where the researcher points out that: "The information industry, as one of the fields of the information economy and one of the pillars of national production, includes all activities related to the production and processing of information."

researchers seem to indicate that the information economy can be defined as the total value occurring from information activities through the **production, processing and distribution** of information goods and services that are sold by markets and consumed internally by organisations³.

3. the 3 sectors of Information industry

so the researchers agree that this sector includes three activities

3.1. Information content-production- industry :

It is the cornerstone within the information sector, and this industry is based on everything that is produced through intellectual property, including patents, designs, geographical designations of origin, the writing of books, integrated circuits, and programs produced by composers and photographers with the help of

² مراياتي، محمد. إقتصاد المعرفة. العربية 3000، ع1. 2000. ص. 106.

³UNIT 13 INFORMATION SOCIETY, 334

technicians and editors, and their works are sold to publishers, distributors, radio and television stations, and major industrial production companies, which It uses patents, which are the raw materials, in various ways to produce outputs (devices manufactured and equipped with patents) such as smart phones, cars, factory management machines...etc. It increases the value of the product and sells it to consumers of information, whether individuals or institutions.

In addition to the industry that is based on creativity, there are those interested in collecting, organizing, and making information available, such as reference works, databases, and statistical series⁴

Creating information content is an activity that relies primarily on human energies (human capital) through what they invent and create, and developed and developing countries pay great attention to this resource, even if the strategies differ due to the difference in priorities on the one hand and the available financial and human capabilities on the other hand. While research and development is the main concern of developed countries, food and security are the greatest concern of developing countries. We find that the countries of the Economic Cooperation Organization continue to attract attention in the field of research and development at the level of institutions of higher education and scientific research and within economic institutions.

The technological factor, the limited flow of information and tight control over it under the guise of intellectual property protection, and the weakness of social and economic capabilities make the spark of creativity and innovation less radiant in developing countries.

⁴ فتحي عبد الهادي، محمد، المرجع نفسه. ص. 270.

and the information content industry can be divided into two categories: primary and secondary. Primary: The primary sector includes the organization in both the public and private sectors that produce and develop intellectual property. In this industry information is generated by the different creators like authors, composers, artists, filmmakers, animators and other related occupations. Information is sold by the creators to the different professionals like: publishers, broadcasters, distributors and production companies; though, the raw intellectual property is taken by them. In some cases governments of all types are also create a huge quantity of information. They create, hold, use and publish large amount of information on different topics. Thus, this segment of information industry is related to the creation and generation of the information. Secondary: The secondary sector is concerned with compilation of information: the compilers of reference works, databases, statistical series and „real time“ information services that supply constant flows of information about things like share and commodity prices. The publishers enable better access to primary publications by indexing and abstracting the primary publications. In this sector, there are another group of online services provider exists whose job is not to produce but to collect information. We can recognize them as information aggregator industry. Aggregators add value by combining various primary and secondary sources into packages. Thus, the secondary information content industry is related to compilation, aggregation and collection of the information⁵.

⁵ International Journal of Research Radicals in Multidisciplinary Fields (IJRRMF) Volume 1, Issue 2, July-December, 2022, Available online at: www.researchradicals.com 12 Information Industry: An Overview Rekha Rani, p13

3 .2. Information processing industry:

This industry is based on hardware producers and software producers. Hardware producers design, manufacture and market computers and long-range communications equipment. Wired, wireless, satellite, and electronics, who are located in East Asia and the North American continent. In addition to Western Aruba, it is also worth noting the wide geographical area of these device producers through the acquisition of licenses, and companies in developed countries searching for skilled and cheap labor and the availability of raw materials, which are located within the so-called developing countries.

As for software production, it is concerned with all applications and programs that are used in education, factory management, and operating machines in agricultural fields...etc., including operating programs for Windows, Android (Windows, Android), and search engines and their services (Google, Yahoo) such as news, navigation, and information directories. This industry is concerned with information processing services. In this sector information is not available as a tangible product but as a service. These kinds of service industries can be considered as an information-intensive part of various industries that is externalized and specialized. The main focus of this industry is only to make available the services. ,these type of industries help in providing tools for managing, organizing and providing access to it through internal system and to clients“ desktops. For library technical services, there are few such industries. They are providing tools for cataloguing, circulation and public access. In fact, this sector of information industry is service oriented.

The Information-Processing device manufacturer Industry This sector of information industry includes manufacturers of information-

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processing that requires research and sophisticated decision-making. Hardware producers and software producers are involved in this sector to provide us different technical products. The hardware producers design, develop, manufacture and market computers, telecommunications equipment and consumer electronics. The software producers provide us different kind of operating systems like UNIX, DOS or Windows, application packages like spreadsheets and word processors, and many more so that we can easily handle the information in any format. Various kinds of other devices are also manufactured in this sector as: printing and copying machines, measurement and recording devices, electronic and many other devices.⁶

3.3. Information Delivery-distribution- Industry:

In this activity, information is transferred from its origin to its recipient⁷

good and appropriate information is the requirement of every consumer in the information society, whether individuals or institutions.

The industrial, agricultural, and service sectors have, for a long period of time, been the focus of attention of decision-makers within countries. However, the prominent role that information has played in the economies of many countries has drawn attention to the importance of the information sector, so that the necessary plans can later be drawn up to exploit it to achieve development.

⁶ International Journal of Research Radicals in Multidisciplinary Fields (IJRRMF) Volume 1, Issue 2, July-December, 2022, Available online at: www.researchradicals.com 12 Information Industry: An Overview Rekha Rani, p13- 14

⁷ فتحي عبد الهادي، محمد. المرجع نفسه. ص. 106.

It performs the function of providing the information needed by the beneficiary, who is a consumer of it, and also includes the method of accessing the information.⁸

Then it is presented to the beneficiary. This process uses technology to improve the services it provides in terms of speed and ease of access and organization. In this activity, information is delivered by establishing and managing communication and broadcasting companies through which information is delivered. These include long-distance communication companies and companies that manage television networks. And search engines...etc. There is another group of institutions that use these and other channels to distribute content, such as booksellers, libraries, and broadcasting companies.⁹

⁸ فتحي عبد الهادي، محمد. المرجع نفسه. ص. 106.
⁹ محمد فتحي عبد الهادي، المرجع نفسه، ص، 106.