

THE INFORMATION

A HISTORY, A THEORY & A FLOOD

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2011 Book summary

The history:

If you are a student of history and like to learn how communications has moulded our world wide societies, then you will find this chapter very interesting.

1. In 1948, Bell Telephone Lab invented the electronic semi-conductor. They called it a transistor.
2. A bit now joined the inch, lb. etc. as a unit of measure.
3. Man has moved from being a food-gatherer to an information-gatherer.
4. We now live in a world of TMI – too much information - “Overloading of circuits.” Oxford scholar Robert Burton (who amassed one the world’s largest private libraries, 1,700 books) expressed this same view in 1621. Other terms used over the centuries are information overload, information glut, information anxiety, and information fatigue, a tsunami of available facts.
5. Historical forms of communication:
 - The drums of Africa - these were actually very advanced because they could tell stories, warn of events etc. and information could travel 6-7 miles from village to village.
 - Ancient Greeks used hilltop fires to communicate; however you had to know the message first...“The enemy is coming!”
 - Horns, smoke & mirrors were used in various parts of the world.

6. As a documented vocabulary, there are over 1 million words in English and it grows by thousands each year. All alphabets come from one source, the eastern Mediterranean about 1500 BC.
7. Logic is descended from the written word and logic takes its form in chains, connecting with one another, where conclusions follow from premises. The power comes from people being able to examine and evaluate them. Print offers a narrow channel of communication.
8. Speech is face-to-face. It engages all senses, not just hearing. The larger the number of senses involved, the better the chance of effectively communicating. Memory – more can be retained with writing than sound
9. 1846 – Three clerks worked in a room in New York City, and handled the entire telegraph. Before the electrical telegraph, there was the telegraph. It needed line of sight, tower to tower and was developed during the French Revolution.
10. The telegraph system was setting a new standard for speed of communication when you consider the only alternative was the rider on horseback. A message could travel from Toulon to Paris, 475 miles in ten to twelve minutes in the early 1800's.
11. In the early days of the telegraph, weather was a major factor in the speed of communications -good weather, faster; bad weather, longer.
12. In France, the government restricted the use of the telegraph for government use only. "It was unimaginable that we would allow private business to use this form of communication." In 1837, a law banned the private use of the telegraph.
13. The Rothschild banking family used pigeons as postal carriers and more reliably, a small fleet of boats would carry messengers across the channel. The power of the telegraph was not lost to the speculators in the market place where information could travel at the rate of four miles a minute over the telegraph. **(Wayne's observation) Fast forward to present day.....In the USA, 75% of the stock market trades are done by "Flash Traders." They trade in micro bursts of time. In Canada, it is estimated that 30% to 40% of the financial power brokers use this**

strategy. This is one of the primary reasons that we have this level of volatility in today's financial markets

14. 1820 – 1840's – Samuel Morse, among others, started perfecting the telegraph to a simple closing and opening of a circuit. A key stroke greatly increased the speed of communication to 30 characters per minute. Some people worried that the telegraph would be the death of newspapers. "The newspapers will become emphatically useless." (Sound familiar?)
15. The cost of sending ten words by telegraph...50 cents. Short messages saved money. The original Trans-Atlantic rate was about \$100.00 for a ten word message. It was called a cable.
16. 1852 – "All idea of connecting Europe with America is utterly impracticable and absurd." The impossible was achieved with an underwater cable in 1858.
17. 1854 – A Meteorological Office was set up in England to start reporting more than just local weather.
18. Events around the world could now be reported **as they are happening** as opposed to an event **that has happened**.
19. **Interesting stories** – A customer comes into the telegraph office with a note to send a message to his family. The operator sends the message and then puts the paper message on a hook. The customer complains that the "message has not been sent." Another customer comes in to the telegraph office because she heard that soldiers were being "sent" to the front by telegraph. She asked that a dish of sauerkraut be "sent" to her son at the front.
20. Some communications have not really changed in 160 years. In the 1850's the concern was loss of privacy when using the telegraph. In those days, the alternative to the telegraph for a secure message was to send a message by mail in a wax sealed envelope. In the 19th century, special codes and code books were developed and sold worldwide to help people deal with this new technology. The code books had 56,000 English words. Abbreviations were used in lieu of sentences. SHF meant - Stocks Have Fallen, YMIR meant - Your Message Is Received. The more things change, the more they remain

the same. In today's world we say "the server is down," in the 19th century they said "the line is down",

21. The word e-mail appeared in print in the OED in 1982.

22. Different media have different event horizons...for the printed word it is 3000 years; for recorded sound, 150 years.

The theory:

It is hard to have a chapter on theory and not get technical. Therefore, as a non-technical person, I did not include much of a summary on this chapter. For the right person, this chapter will be a gold mine of information.

- There is a gap between information and knowledge. A barrage of data fails to tell us what we need to know. Knowledge does not guarantee wisdom. "Where is the wisdom we have lost in knowledge/ where is the knowledge we have lost in information?"

The flood :

I found this chapter of particular value to me as a financial/retirement planner. At Taylor Financial Group, we have a team with an incredible amount of quality information in our minds, at our fingertips and networks. **We are the ideal filter and search engine for financial planning.**

Our clients are faced with critical decisions which will affect the quality of their lives decades into the future. Our role is to reduce the challenge and stress of TMI in our client's mind and to present a logical plan for them to act on. **Time invested by the client and advisor is 90 to 120 minutes a year.** Consider this, assuming a 40 work week & a 50 week year, there are 203,000 workday minutes in a year. We are asking our clients to invest about .001% of this time to ensure that they will have a financial/retirement plan that is on time, on target and on budget. Even the Do It Yourself (DIY) investor can benefit with our services.

And now for the summary:

1. In the pursuit of knowledge, slower is better.

2. Today's systems are designed to give the sender too much control of the communication process and the receiver too little control.
3. People get too many messages; really important messages are lost in a crowd of less important messages. "A person who has something to say and finds no listeners is bad off. Even worse off are listeners who can't find anyone with something to say to them."
4. TMI can contaminate judgement. Super optimal information loads caused poor performance. People can only absorb or process a certain amount of information. Another reminder that information is not knowledge and knowledge is not wisdom.
5. Historically, facts were dear, now they are cheap.
6. Strategies for coping :
 - Filtering
 - The search engine – finding needles in the haystack

When information is cheap, attention is expensive. Our investment in time is not infinite. Therefore, how do we allocate our precious time to filter and search? If it is wanted, it can be asked for; but to be wanted, it must be known. Who will filter and who will search? Trust but verify.

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