**Economics and Blockchain**  
Transaction Costs (rename this section)   
Game Theory  
Market Design  
Behavioral Economics  
  
  
Priming the Blocks – Transaction Costs  
  
The internet revolution lowered transaction costs for information. The blockchain revolution is primed   
to lower transaction costs for property rights.  
  
Ask a group what the internet is about and the first to raise their hands will proclaim it was a revolution in information.   
The ability to store and replicate information went under a dramatic change with the advent of analog and digital storage.   
The internet reduced the costs to access this replicated information; a reduction in transaction costs.  
  
The focus on blockchains has been on digital currency and speculation. However, the key feature of blockchains is the ability to provide low cost property rights.  
Traditional property rights have been secured by governance or a centralized private authority. The local planning commission or Facebook like private institution. These types of institutions are expensive to operate and have limited scope regarding property rights.   
  
Titles and deeds.  
ID and unique assets associated with users, such as photos, comments, and connections.  
  
Property rights allow trade and allocation, under ideal circumstances, of resources to their best use.   
IoT, price as a signal to allocate resources where constrained optimization problems are too costly.  
  
Benefits: <https://www.iedm.org/59576-the-underestimated-economic-benefits-of-the-internet>   
Costs: shipping the good apples out