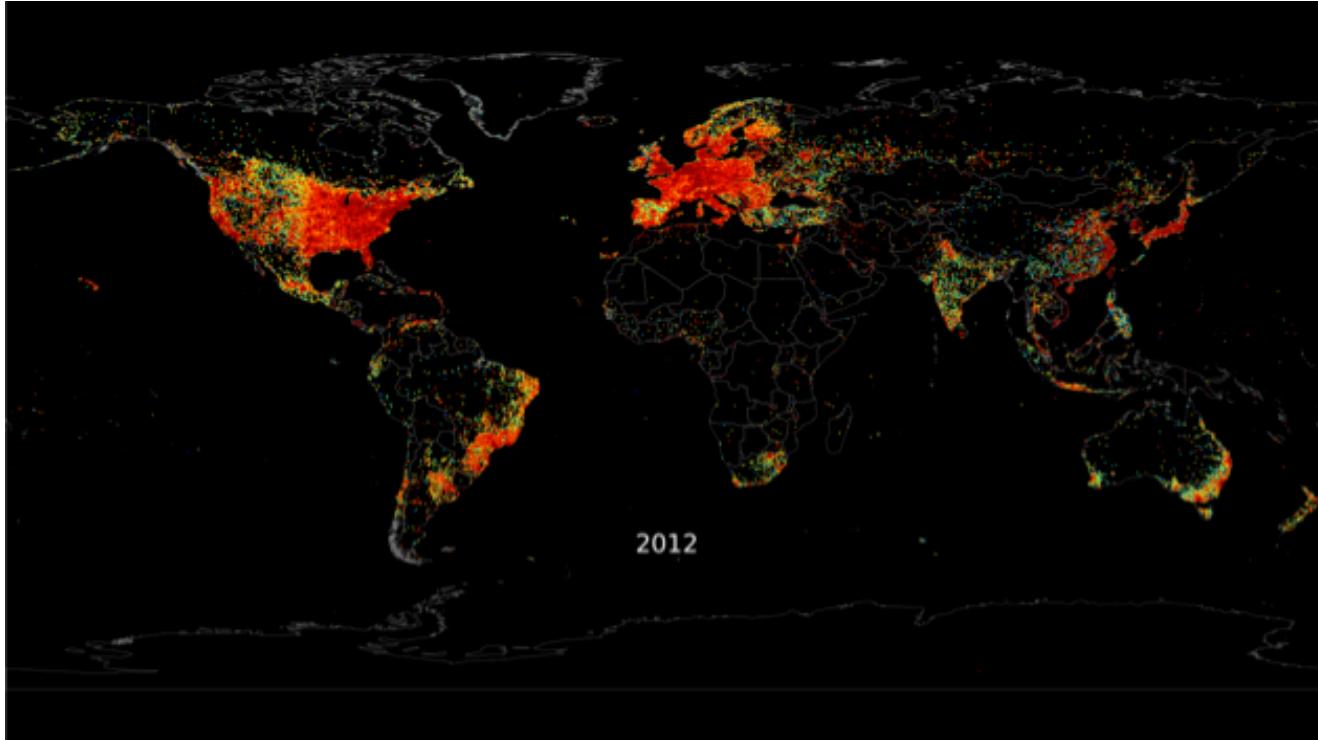


# Economics of Technology

## A trillion observations to infer social-economic behaviour



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Simon D. Angus  
Paul Raschky

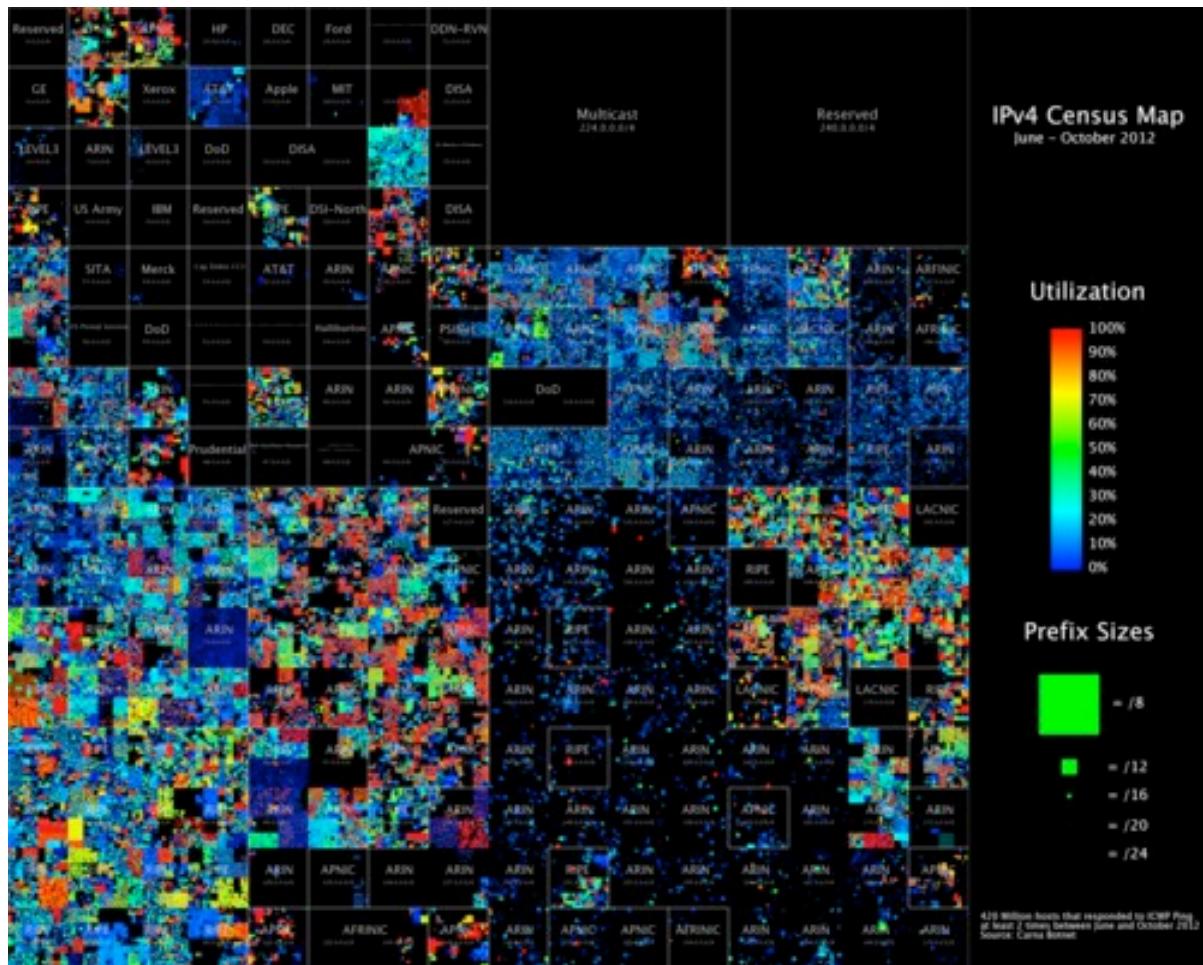
Department of Economics,  
Monash Business School,  
Monash University



Multi-modal Australian ScienceS Imaging  
and Visualisation Environment



# Internet Protocol (IP) Addresses, IPv4, and Hilbert Projections



Credit: <http://internetcensus2012.bitbucket.org/hilbert.html>

An IPv4 address (dotted-decimal notation)

172 . 16 . 254 . 1

↓      ↓      ↓      ↓

10101100 .00010000 .11111110 .00000001

One byte = Eight bits

Thirty-two bits ( $4 \times 8$ ), or 4 bytes

Source: "Indeterminate" (via Wikimedia Commons)

Total possible:

$4,294,967,296 (2^{32})$   
( $> 4$  billion )

# Internet Protocol (IP) Addresses, IPv4, and Hilbert Projections



# The Idea

## A Novel & Attractive Data Source ...

- **Comprehensive:** global, simultaneous, measurement (no border control for IP)
- **Revealed vs. Stated:** “*what you do ...*” (not “*what you say you do ...*”).
- **Granular:** in time (intra-day) + space (Lat-Lon) (e.g. city-level).
- **Accuracy:** (limited) previous work uses poor location accuracy, here 10-40km.
- **Date-range:** 2005-2012 - critical time in internet’s expansion.
- **Diffusion of Technology:** analysing the actual technology vs looking at records

## Permitting Novel Social Science Questions ...

- What are the main behavioural (sleep-wake, work-leisure) patterns of humankind (intra-day, inter-day, seasonal)?
- How has the diffusion of the internet affected democratic outcomes (at ballot-box level? in quasi-democratic countries?)
- Can internet activity reveal economic time-allocation?
- How affected by cultural norms is internet activity: religion?
- And so on ...

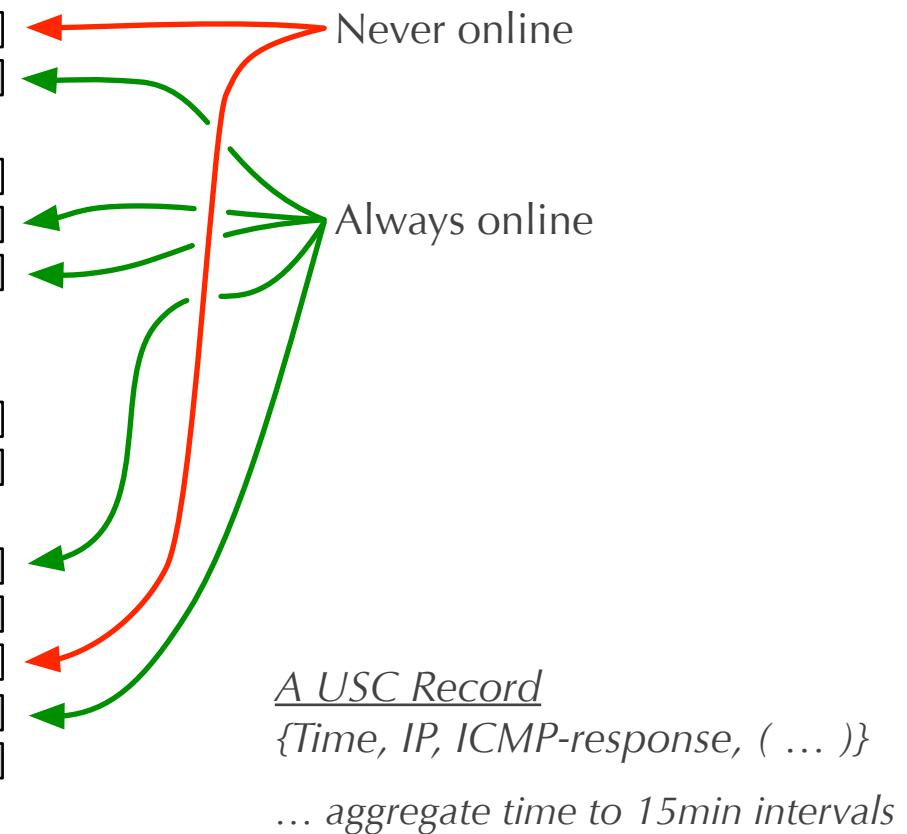
# The Data: USC, Digital Envoy .. to (IP-activity|time|geo-location)

11 Feb 2007

## IP Online/Offline



201.125.121.4	
201.125.121.5	
201.125.121.6	
201.125.121.7	[ Not routed ]
201.125.121.8	
201.125.121.9	
201.125.121.10	
... ... ...	... ... ...
192.8.34.101	
192.8.34.102	
192.8.34.103	[ Not routed ]
192.8.34.104	
192.8.34.105	
192.8.34.106	
192.8.34.107	
192.8.34.108	
192.8.34.109	
... ... ...	... ... ...



# The Data: USC, Digital Envoy .. to (IP-activity|time|geo-location)

11 Feb 2007

## IP Online/Offline



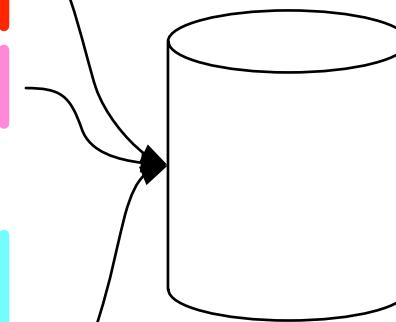
201.125.121.4	
201.125.121.5	
201.125.121.6	
201.125.121.7	[ Not routed ]
201.125.121.8	
201.125.121.9	
201.125.121.10	

... ... ...

192.8.34.101	
192.8.34.102	
192.8.34.103	[ Not routed ]
192.8.34.104	
192.8.34.105	
192.8.34.106	
192.8.34.107	
192.8.34.108	
192.8.34.109	

... ... ...

## IP → Location



2007.Revision\_k

A DE Record

{Time, IP-range, Lat, Lon, ( ... )}



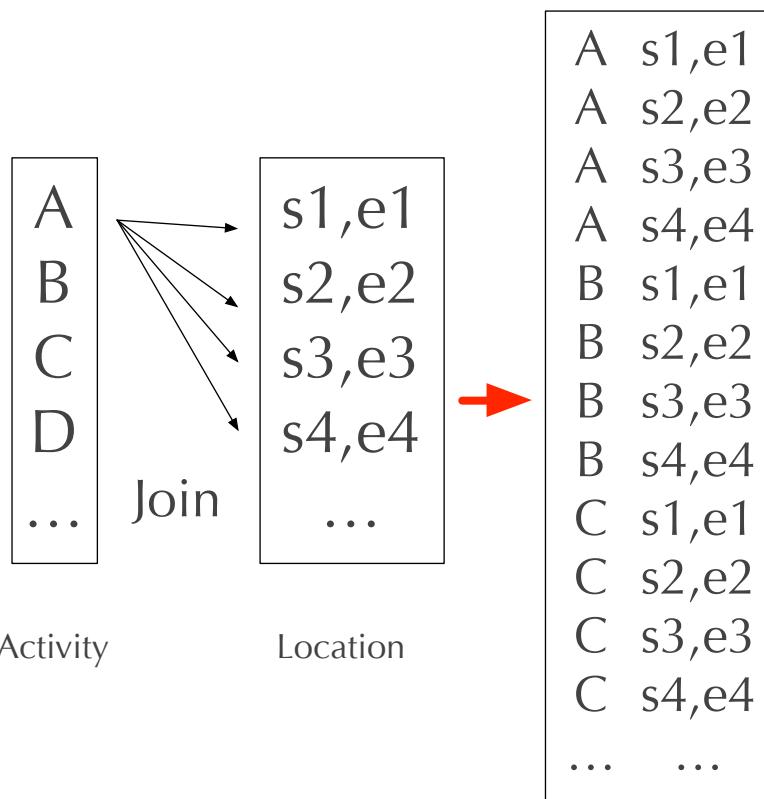
# Data joining & Processing

*Normal join infeasible ...:*

$1.5 \times 10^{12}$  USC records

$4 \times 10^{11}$  DE records

..  $\sim 6 \times 10^{23}$  (600 sextillion records)



*Standard solution: SQL Cartesian Product*

**SELECT**

```
de.latitude,
de.longitude,
(u.timestamp div 900) as timeaggregate,
de.de_timestamp,
SUM(if(u.on_off = 1, 1, 0)) as online,
SUM(if(u.on_off = 0, 1, 0)) as offline
```

**FROM**

```
usc AS u JOIN digitalenvoy de ON
(u.probe_addr BETWEEN de.start_num AND de.end_num)
and de.de_timestamp=
```

**SELECT**

```
dig.de_timestamp
```

**FROM**

```
digitalenvoy dig
```

**WHERE**

```
u.timestamp < dig.de_timestamp
```

**GROUP BY**

```
dig.de_timestamp
```

**ORDER BY**

```
dig.de_timestamp
```

**LIMIT 1)**

**GROUP BY**

```
de.latitude,
de.longitude,
timeaggregate,
de.de_timestamp
```

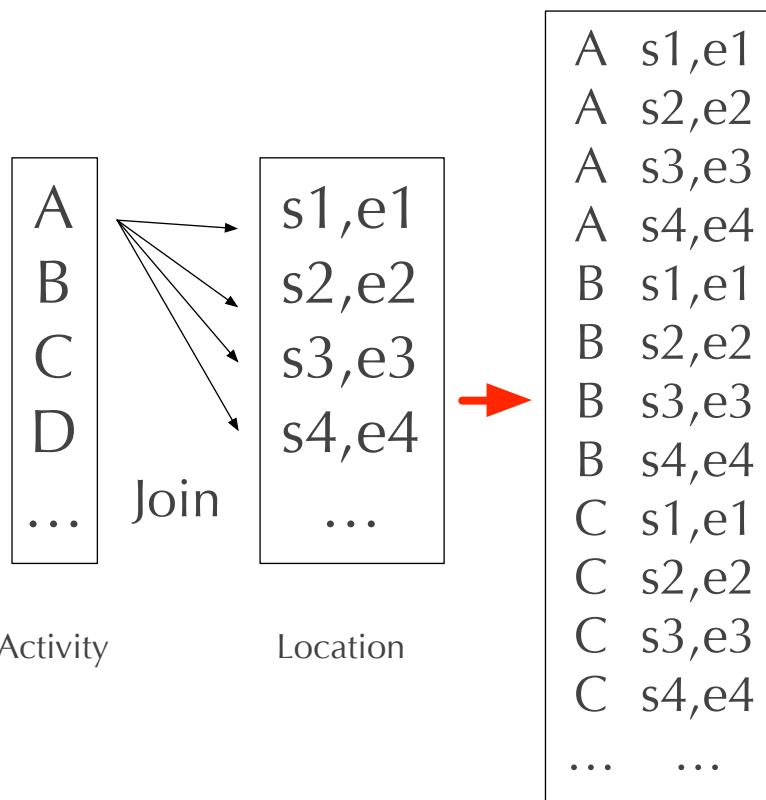
# Data joining & Processing

*Normal join infeasible ...:*

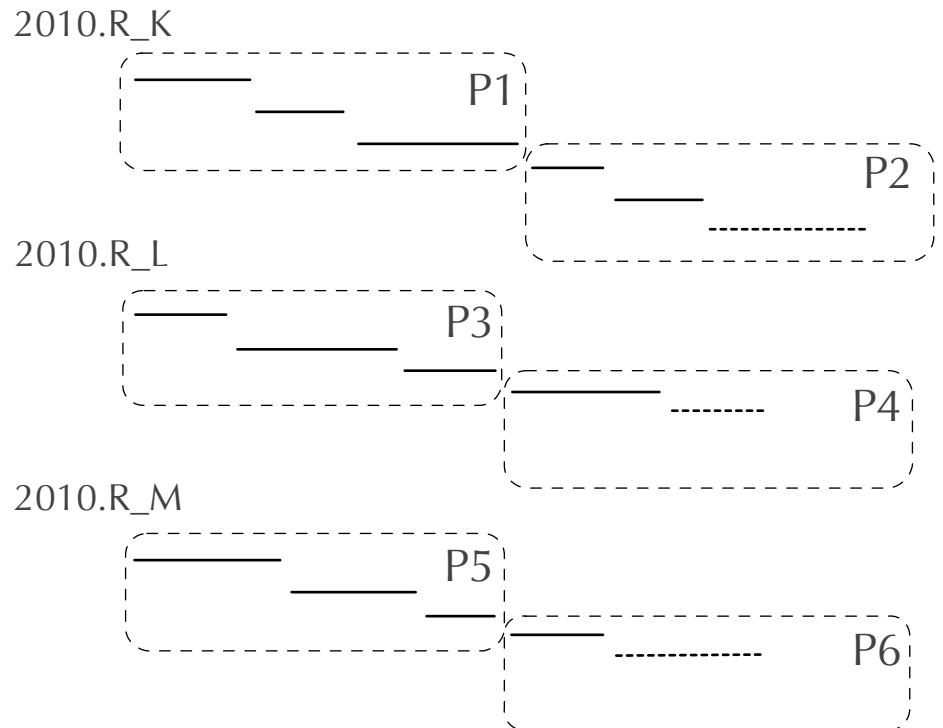
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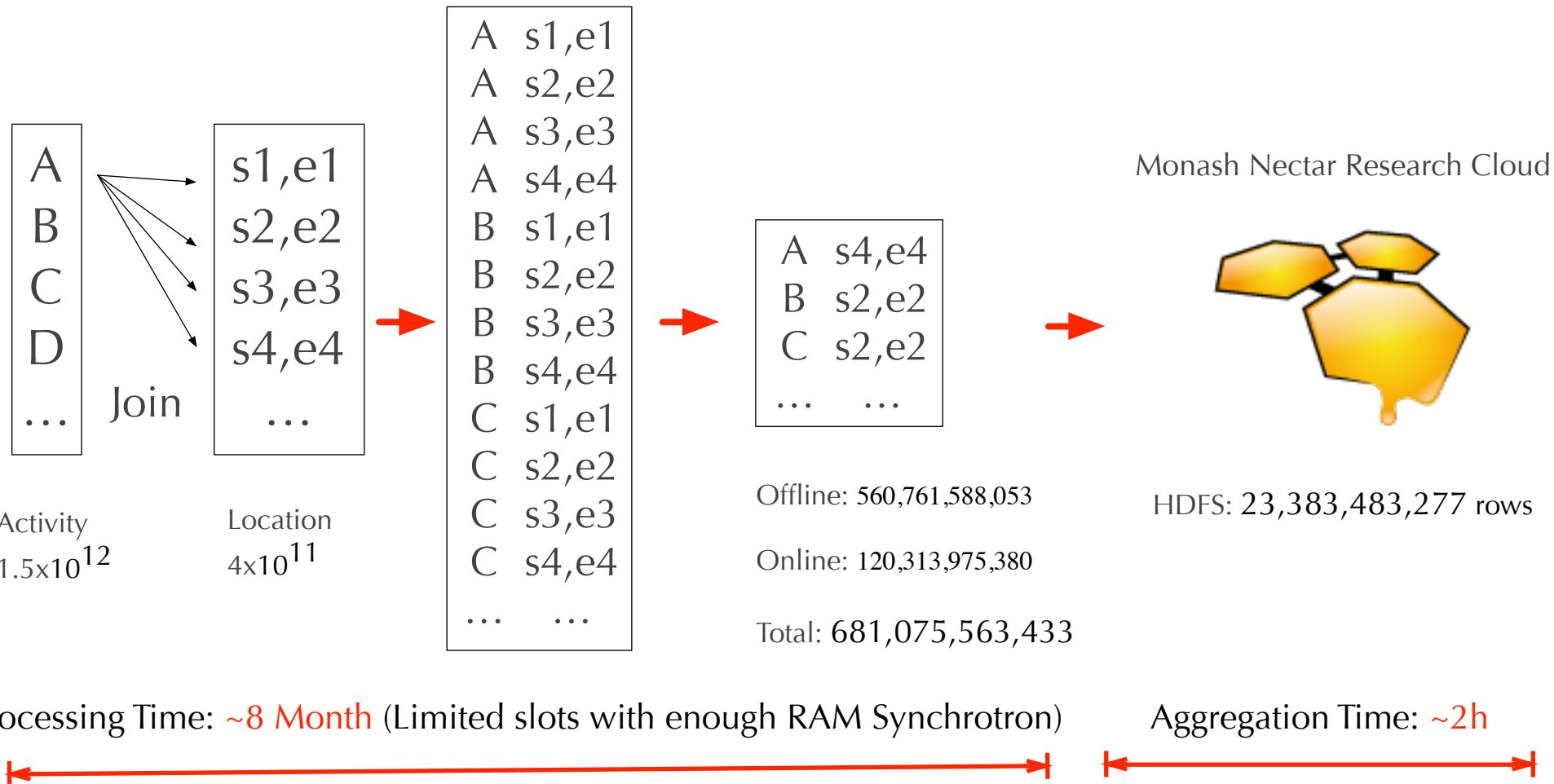


*Our Approach:* (effectively) index the Location (by range) DB, using a modified quantile algorithm, creating a look-up table by DB revision date and merging both lists with a runtime of approximate  $2n$  in parallel

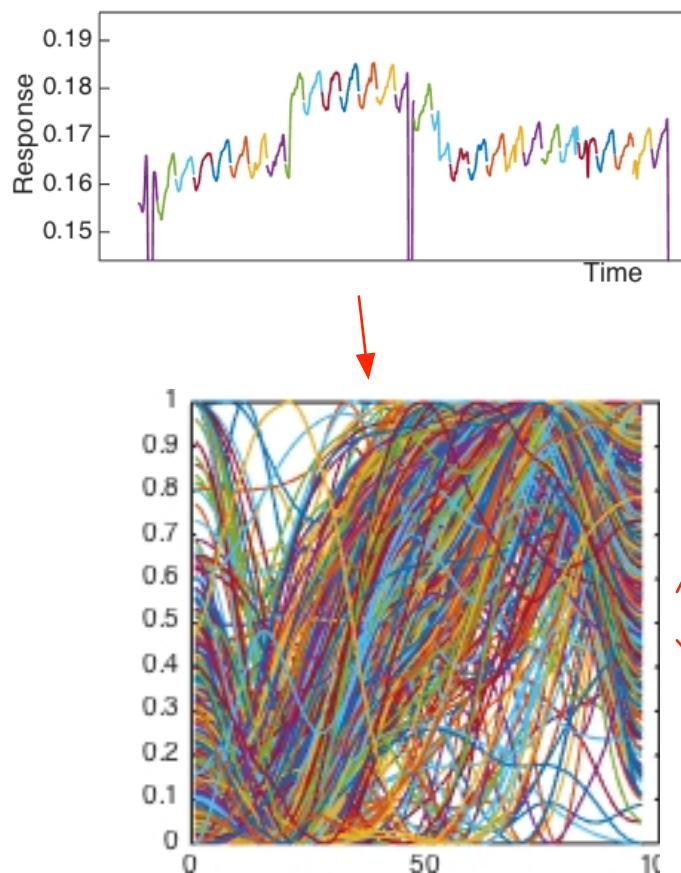


# Data joining & Processing: Summary

CPU hours:  $\sim 50000\text{h} = 5.7 \text{ years}$  on one core



# From Raw to Useful: Example, London 2005-2011



## Single City Module

Pre-filter (min online)

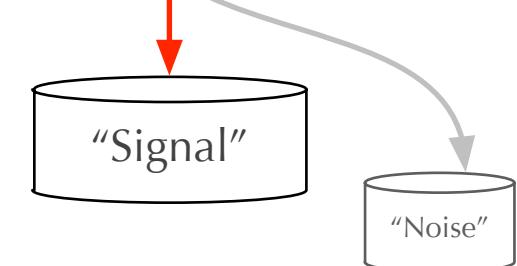
Fraction\_Online

Cut by 24h, Daily Periods

Robust Smooth, Normalise

Multi-signal 1D  
Wavelet Decomposition

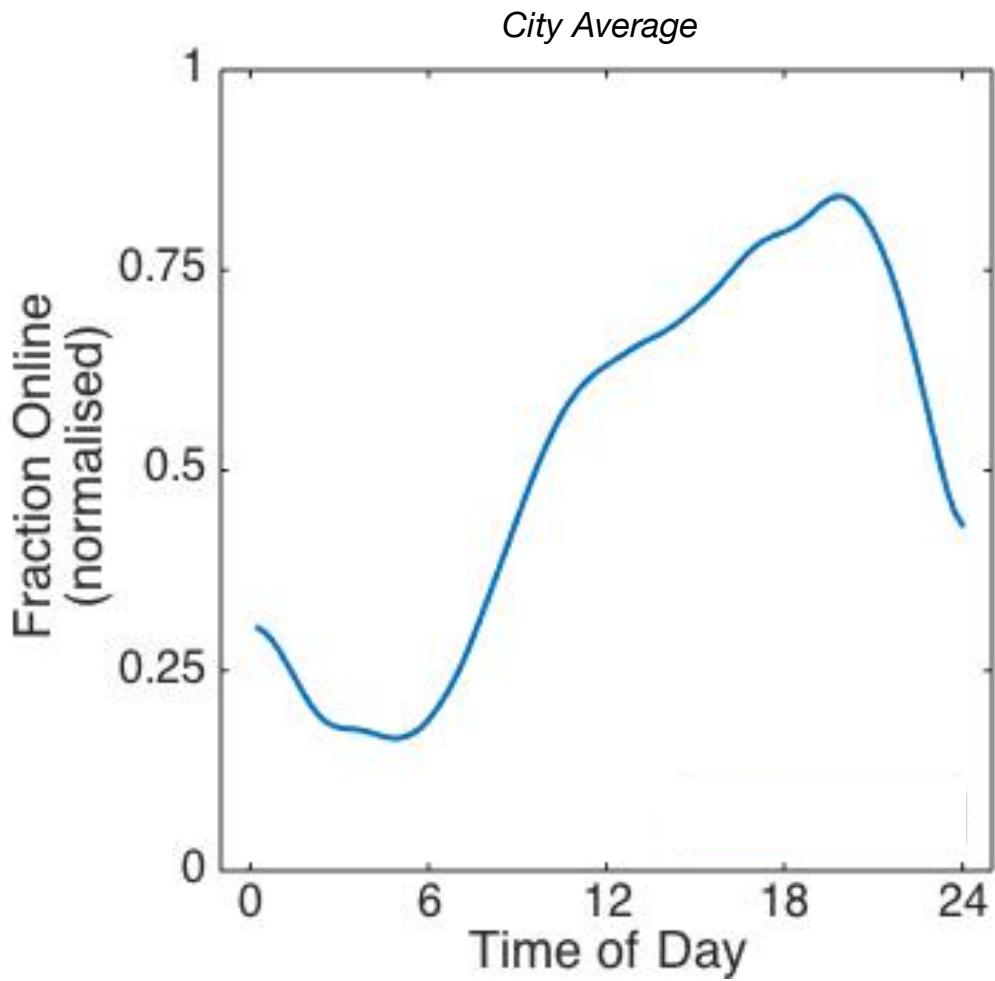
Signal/Noise clustering



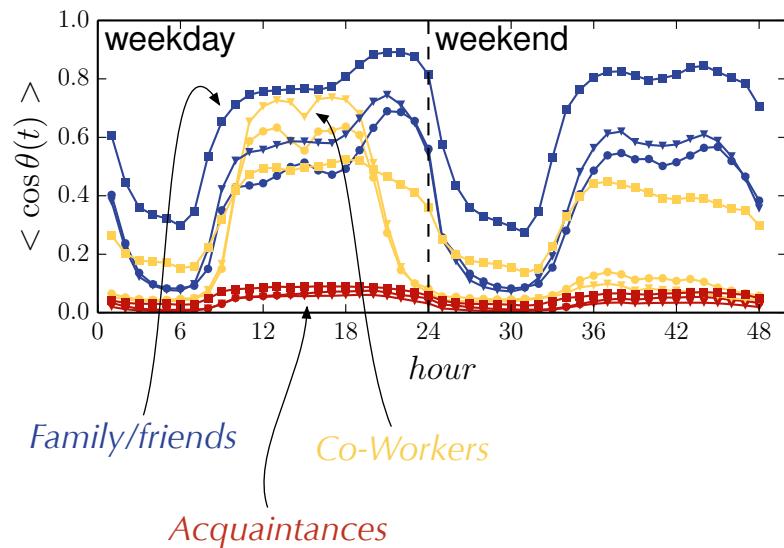
Data: London 2005-2011, raw traces (days): 1,539; filtered: 1,186 traces (days) (min 100 online per 15min)

Details: Clustering 'ward' (on Euclidean) of Wavelet analysis (sym3,lv6,coefs), Cophenetic Correlation: 0.9193

# Anatomy of an intra-day trace

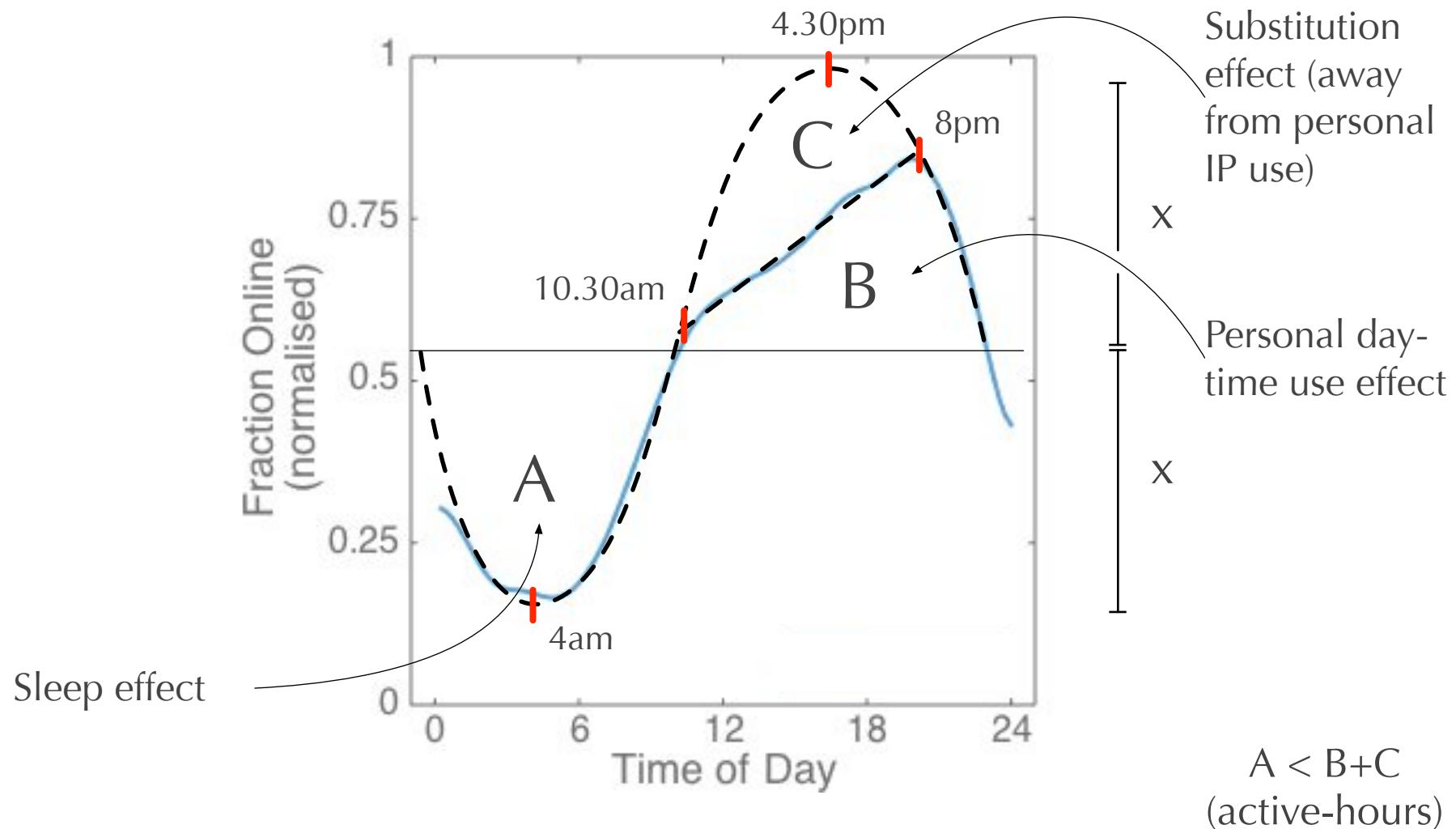


Toole et al (2015), “Coupling Human Mobility and Social Ties”, arXiv:  
1502.00690v1



Data: London 2005-2011, filtered + ‘signal’ only: 1,096 days (15 Dec 2005 .. 29 Dec 2011)

# Anatomy of an intra-day trace



Data: London 2005-2011, filtered + 'signal' only: 1,096 days (15 Dec 2005 .. 29 Dec 2011)

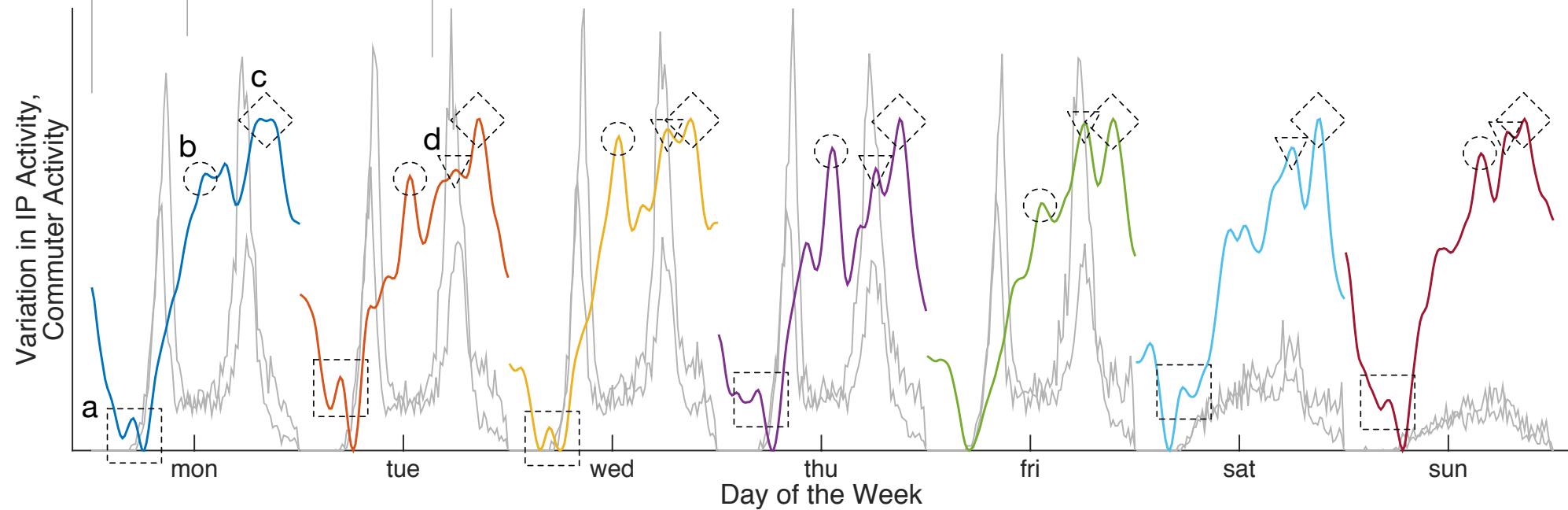
# Daily IP Activity & Oyster-Card Intensity, London, GB

a Pre-commute/Wake-up peak, 4.45-5am Mon-Thu (absent Fri), 5.30am Sat

b Lunch peak, 12.45pm Mon-Thur, 1.15pm Fri, 3.15pm Sun

c Late-evening peak, 8.45-9pm Mon-Thur, 9.30pm Fri, 9pm Sat & Sun

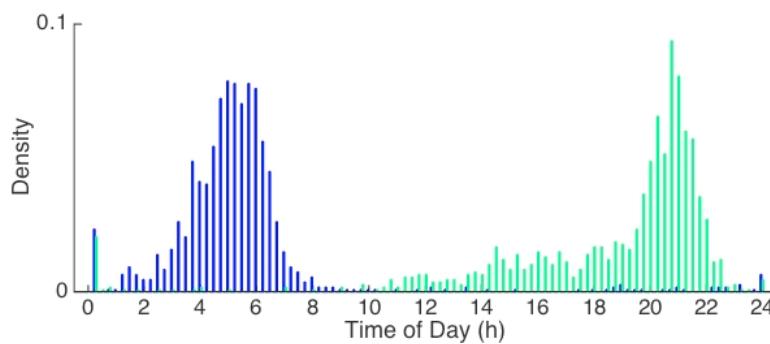
d Early-evening peak, 6–6.15pm Tue-Sat, 6.45pm Sun (indistinct Mon)



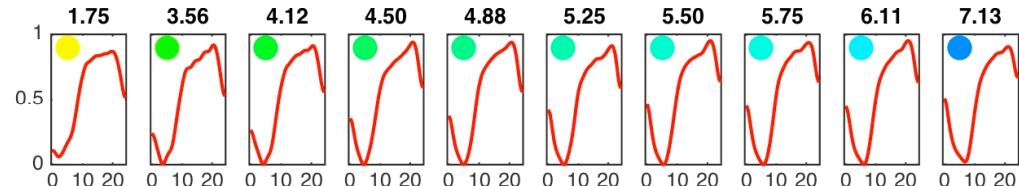
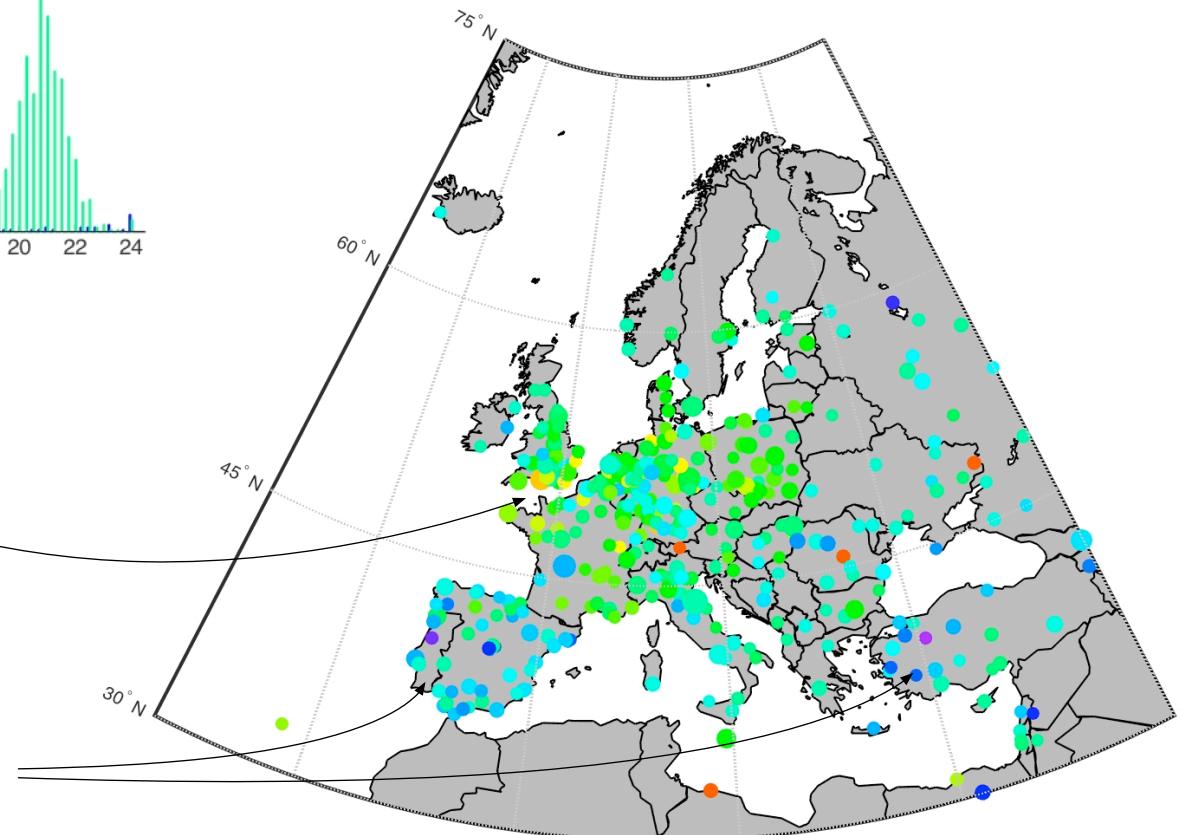
**Oyster Activity:** data from 5% sample of Oyster touch-on/touch-off activity restricted to LUL (LDN Underground) and NR (National Rail) events, two traces show 'inbound' and 'outbound' touch events

**IP Data:** data from 2 sets of contiguous months (Jun-Aug) in each year 2009, 2010; 126 days of data in all

# Multi-City Analysis: Time of Peak/Trough



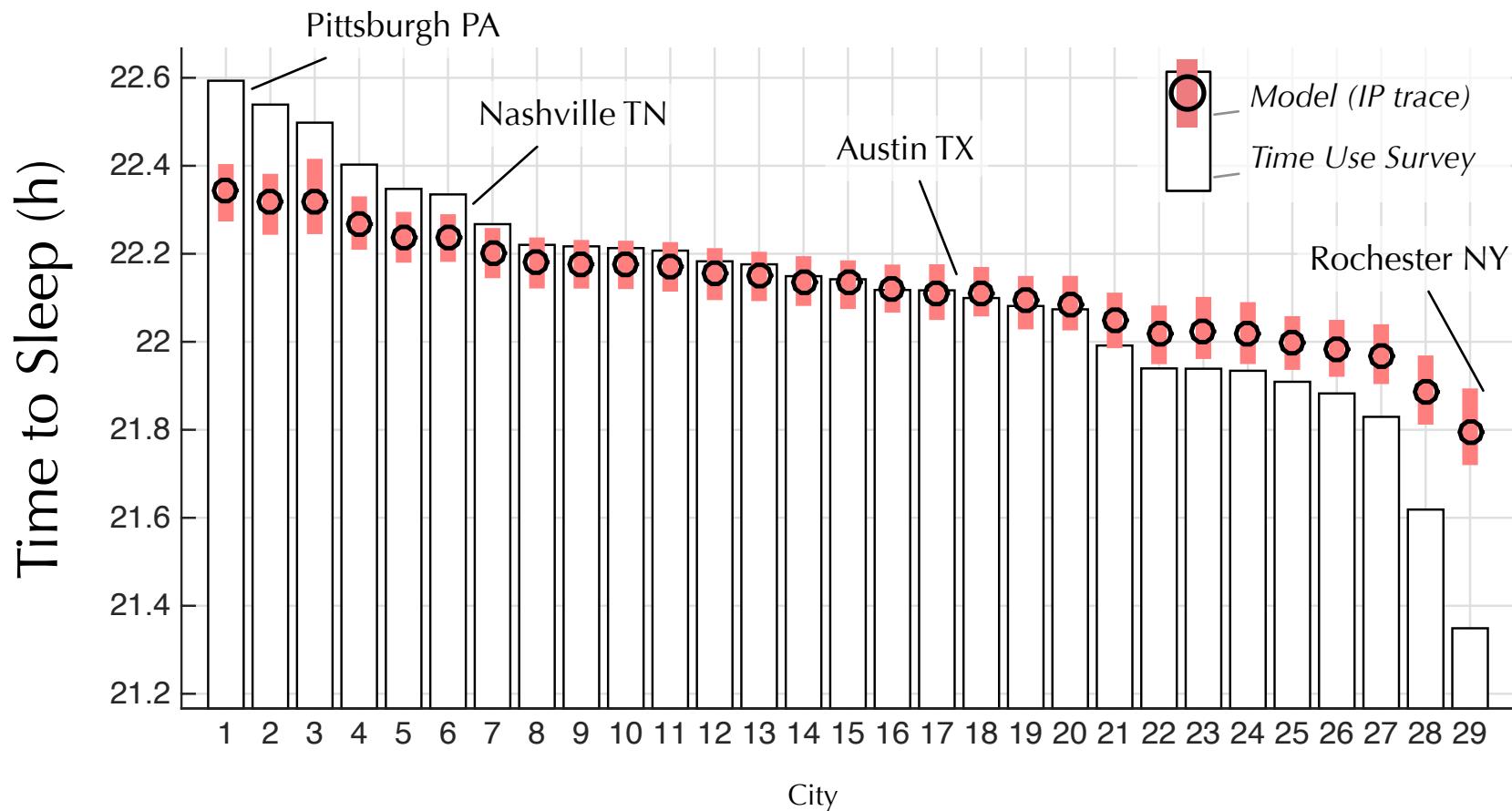
Time of Trough (24h)



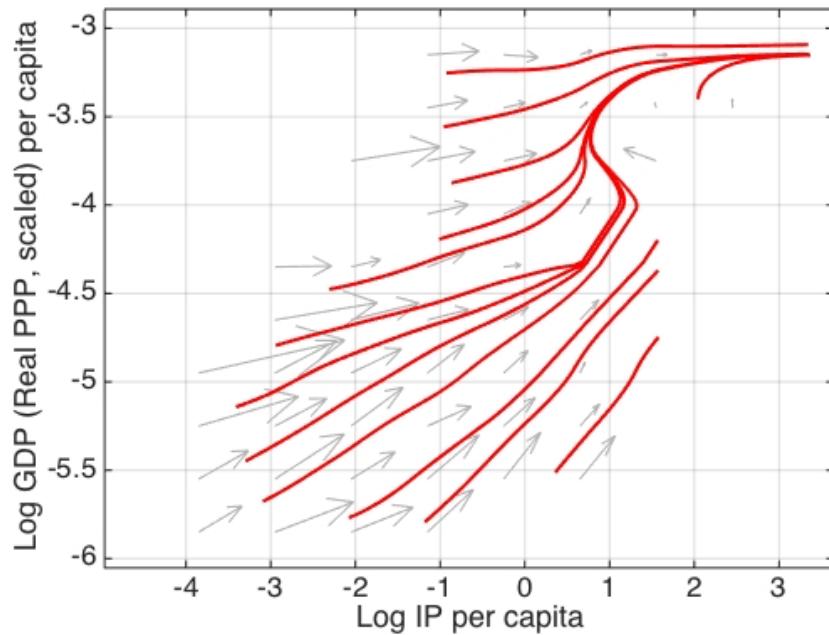
Data: 1,065 cities after pre-filtering and processing.

# American Time Use Survey: Up-Scaling of a traditional survey

- Use the internet data as an empirical proxy for human behaviour at a very fine temporal and spatial scale
- **Idea:** Find a model that predicts the **start** and **end** sleep and work times based on the shape of the internet trace by Metropolitan Statistical Areas (MSA) in the US



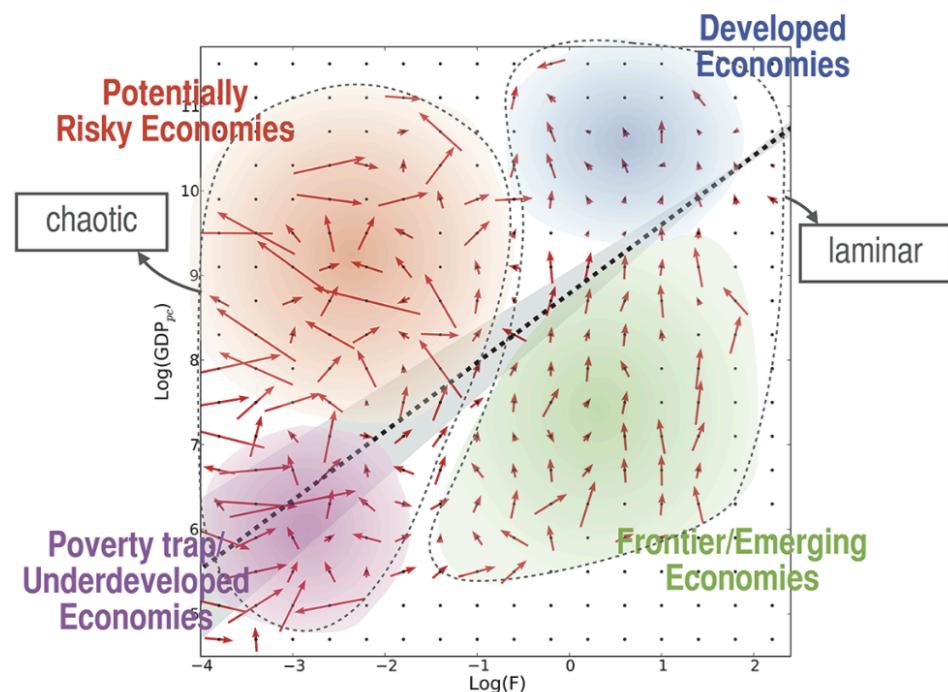
# The S-Curve of Technological Diffusion



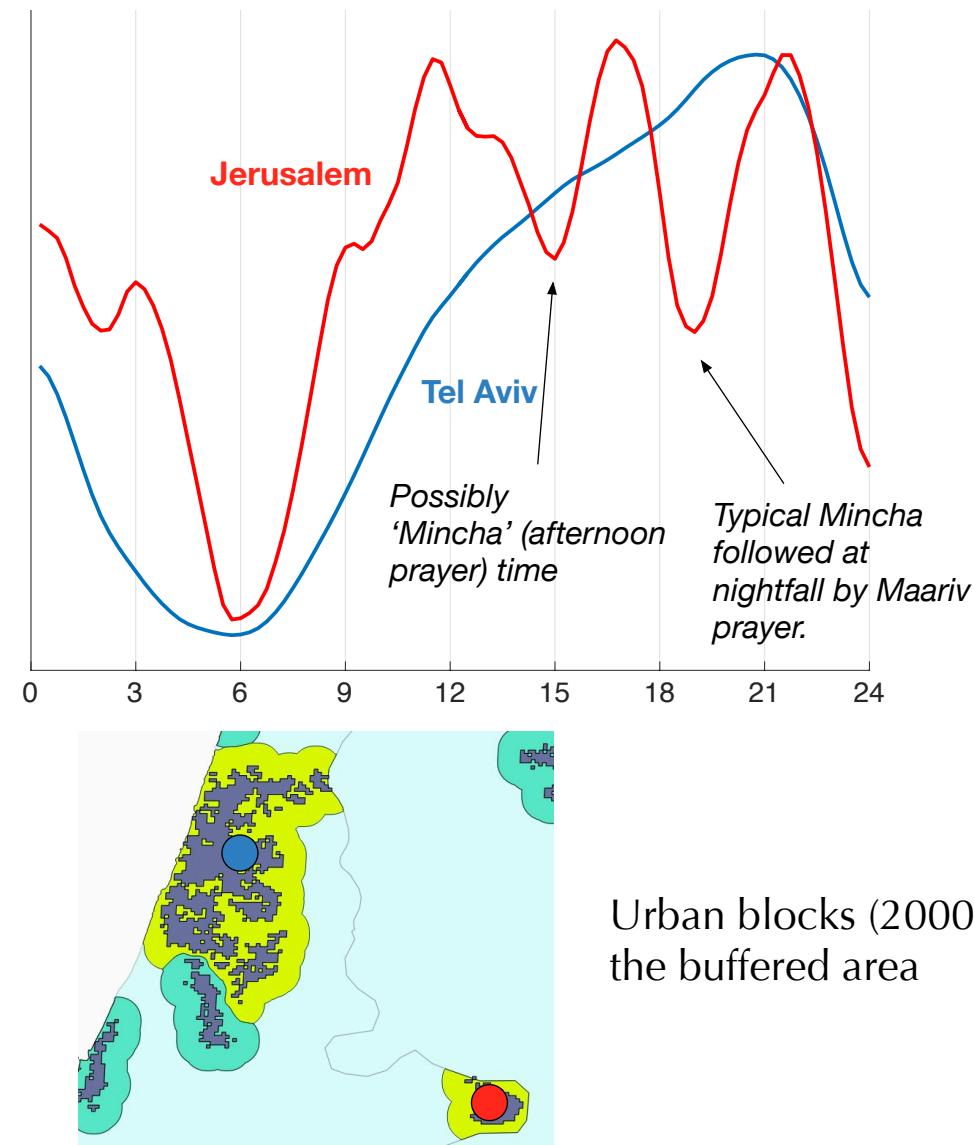
## GDP City Level:

- Based on **OECD** regional accounts **TL2** and **TL3** rescaled using **Landsat 2006** population raster GIS data and **NYU** metropolitan blocks
- Real GDP PPP city level (left)
- Nominal GDP PPP country level (right)

Cristelli, M., Tacchella, A., & Pietronero, L. (2015). The Heterogeneous Dynamics of Economic Complexity. *PLoS ONE*, 10(2), e0117174–15



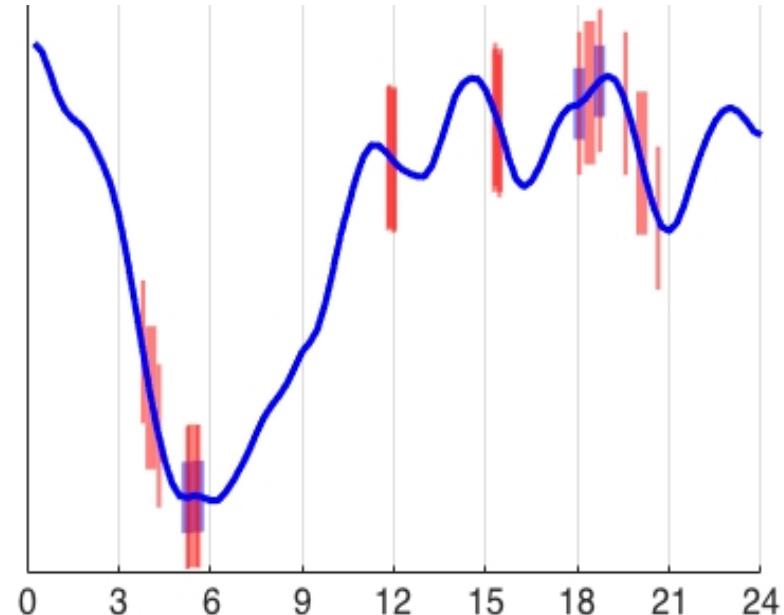
# Religion: Revealed vs Stated Preferences



Different Prayer times in different Religions

For Suni the fast can be broken at the start of the 5th prayer

Riyadh - Ramadan



Urban blocks (2000) & the buffered area

# Discussion

## So far

- Successful handling, conversion & cleaning of **trillions of IP-activity observations**, linked to accurate geo-location
- Successful **preliminary analysis tools** developed on basic and more complex properties of ip-activity

## Preliminary Observations

- Strong **spatial-correlation** of ip-activity traces, e.g. Oyster and Sleep
- Good evidence of **discontinuities at political boundaries** suggesting cultural/institutional factors driving behaviour

## Current Work & Future

- Publication of the Data-Set for Australia as well as the cities world wide
- Internet censorship and political elections with evidence from Russia
- Contact me: [klaus.ackermann@monash.edu](mailto:klaus.ackermann@monash.edu)