

Management information systems (mis) article critique



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Another digital gold rush Internet companies are booming again. Does that mean it is time to buy or to sell? The above titled article was published on 12th May, 2011 in "The Economist". The writer of the article is writing about the growth of internet based companies, their success and the possible future outcomes. The article starts by stating an old relationship between San Francisco and Chinese immigrants. This relationship was developed due to gold. The writer then presents his argument by stating latest trend in the market. According to author the internet companies are making big money and this boom is created by relatively new and young people. Popular internet companies are ready for stock market listing. This has created lot of activity in the stock exchange. There are three main forces which are driving this activity. First the advancement in technology is making it very easy to start online business. Second the investors who are backing this activity are young, who give online companies many options to choose from and the last factor is the involvement of global participants in general and Chinese firms in particular. The combined impact of these three factors is responsible for the phenomenal growth of internet based companies in last two to three years. There are also reliable and sound companies, who are interested in buying these online companies or their products. For some experts this trend in the market is dangerous as many companies are getting more value than normal. Investors are investing in untested products and impact of regulatory policy by China is overlooked. If Chinese government starts to put restriction on internet companies then market could go down but like all bubbles it is time for investors to make money. The article is very well written and the writer is able to present facts and figures along with tables to present the main theme that internet based companies are booming very

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fast. Technological development, many young investors and involvement of China has given the market a very sound and safe footing. The critics of this boom are afraid of bubble burst, which for them is the logical conclusion but optimists are backing this bubble as factors are favorable. The author has presented both point of views but the main focus remains on the positive factors responsible for the development of the financial trend. The article is written in easy language and data is presented in such a manner that it is not taxing on the readers. The article is related with technological trend in business and helps readers in taking decision. The article is related with the course as it helps in understanding multiple factors for financial activity and the viability of these different factors. Work Cited