



Commerce Department A Digital Economy Agenda

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The Digital Economy: A Key to Prosperity and Competitiveness

The Internet and digital economy are a critical part of the future success of the broader American economy. They are a source of jobs; an enabler of global trade; and a key element of U.S. competitiveness.

- The digital economy already accounts for over five percent of gross domestic product in the U.S. [BCG], but that number does not capture its true potential.
- Experts estimate that digitization has the potential to boost annual U.S. GDP up to \$2.2 trillion by 2025. [MGI]
- The U.S. exported ~\$400 billion in digitally-deliverable services in 2014 – more than half of U.S. services exports and more than one-sixth of all U.S. goods and services exports. [USDOC]

But we cannot take this kind of success for granted.



Framework: Grand Policy Challenges

1. **Global free exchange of information** - A free and open global Internet, with minimal barriers to the flow of data across borders, is the lynchpin of the digital economy's success.
2. **Trust and security online** – American business needs a framework for privacy and security that will promote global trust, and international rules that do not unfairly burden American firms.
3. **Access and skills** – American businesses and consumers need fast infrastructure, and a workforce with the skills to thrive in a digitized global economy.
4. **Innovation and emerging technologies** – Commerce can play a role in supporting innovation, including good IP rules. Opportunities exist to support new technologies and identify long-term policy issues early in the development life cycle.



Policy Priorities for 2016

Free and Open Internet

Cross-border data initiative – Launch “digital attachés” and cross-border measurement.
IANA – Steward IANA transition and ICANN accountability reforms.
EU Digital Single Market – Ensure any DSM action does not unfairly impact U.S. firms.
G20 – Lead USG contributions on digital economy, innovation to September G20 in China.

Trust and Security

EU Privacy Safe Harbor – Successfully conclude negotiations and garner EU approval.
Cybersecurity – Expand use of NIST coordinated Cybersecurity Framework.
Lawful access to data – Engage on ECPA reform, national encryption conversation.
Data privacy – Complete NTIA’s multi-stakeholder processes on drones, security.

Access and Skills

Broadband access – Broadband Opportunity Council, BroadbandUSA, and the President’s 500MHz spectrum initiatives.
Skill-building for the digital economy – Promote skill-building initiatives such as National Initiative for Cyber Education (NICE).

Innovation and Emerging technologies

Patent reform – Support patent litigation reform legislation, improve patent quality.
Commerce “Policy Labs” – Launch projects to support promising new technologies and consider their policy implications early in the development life cycle. Initial working groups on autonomous cars, UAS, and Internet of Things.



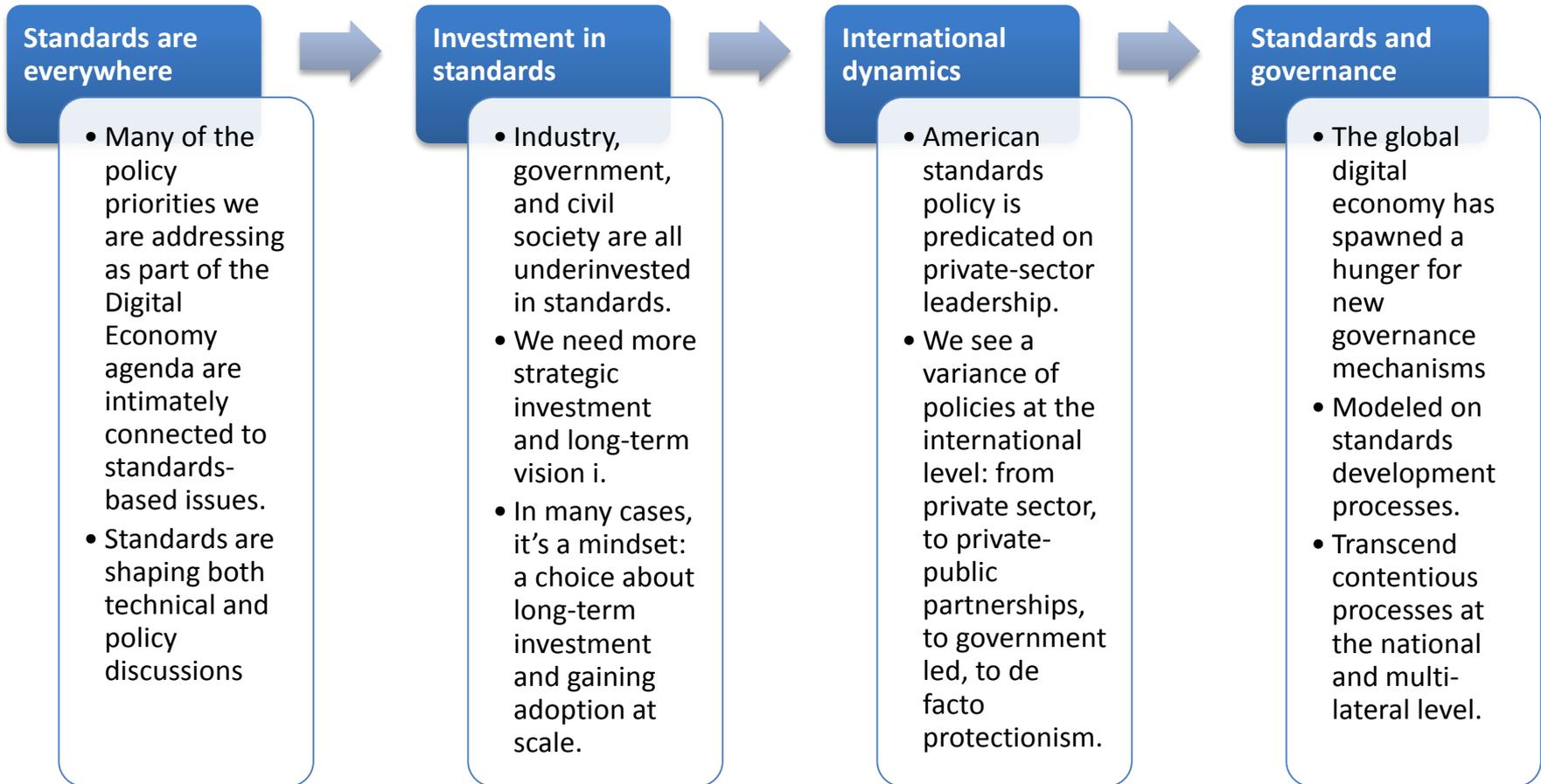
Digital Economy: Structural Initiatives

In addition to the policy priorities above, Commerce is seeking to build its digital economy capacities and structures with several initiatives including:

1. **Digital Economy Board of Advisors** – a high-level FACA-based board to advise the Secretary and Department on the business and technology dynamics in the digital economy.
1. **21st Century Export Assistance** – centers of leadership on digital economy issues within the Foreign Commercial Service and other elements of the International Trade Administration.
2. **Commerce “Policy Labs”** – a program to coordinate work within Commerce on promising new technologies and business sectors, promoting growth opportunities and identifying policy challenges. Initial working groups on autonomous vehicles, UAS, and the “Internet of Things.”



Observations on Standards



→ We need more, clueful engagement on standards to shape a better digital economy.



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Questions and Thank You

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