

Digital Trade Technologies, Services and Sustainable Development

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Concept

- **Restrictions** to digital technologies in trade
- **Who** and **why** important to tackle?

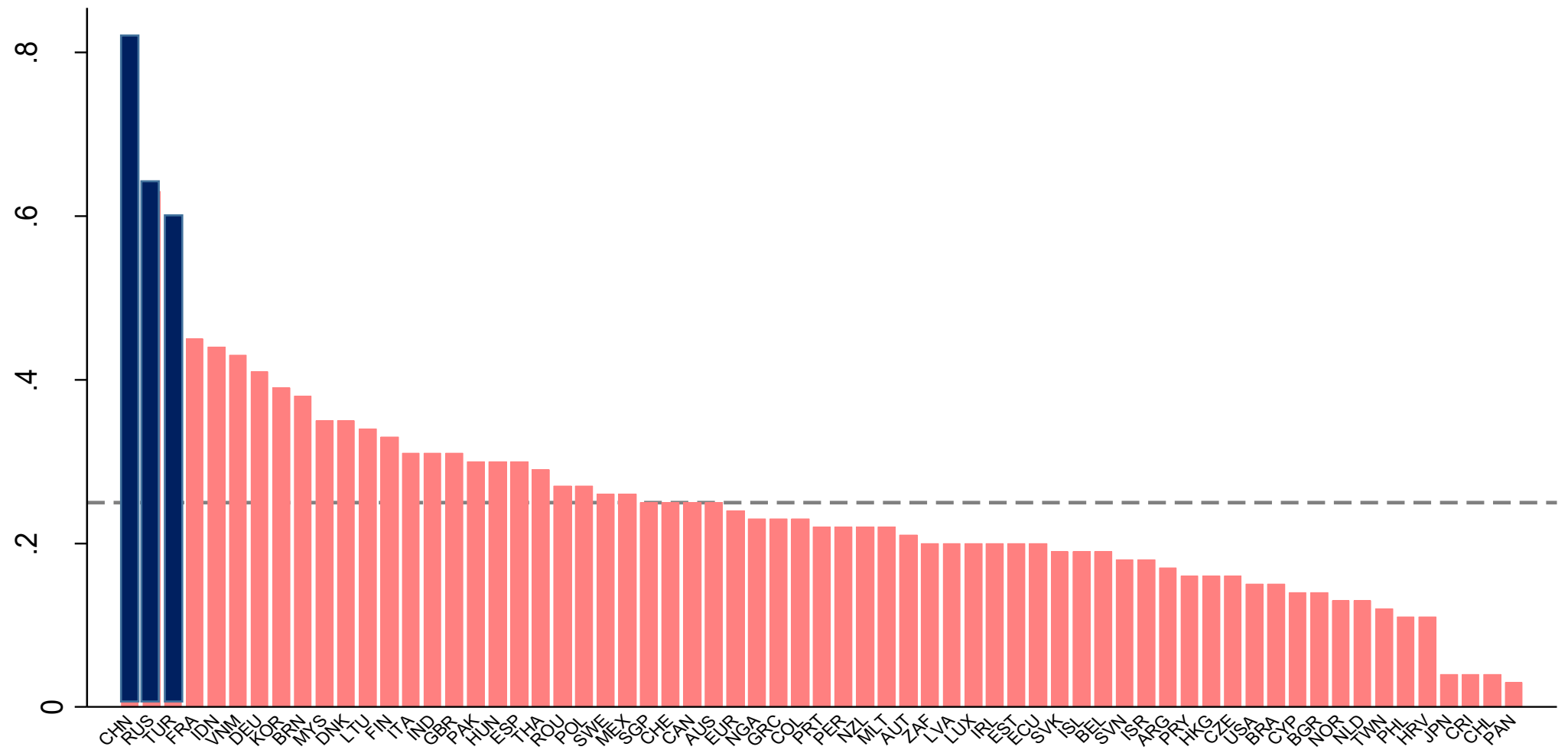
What “trade” policies are problematic?

	Internet com services	Cloud-based data processing	Digital content	E-commerce	IoT
Data measures					
Data protection and privacy	X	X	X	X	X
Data localization	X	X		X	X
Cybersecurity measures					
Disclosing source codes		X	X	X	X
Restrictions on cryptography	X	X	X	X	X
Censorship			X		
IPR measures					
Intermediate liability	X		X	X	
Ancillary copyrights	X		X	X	

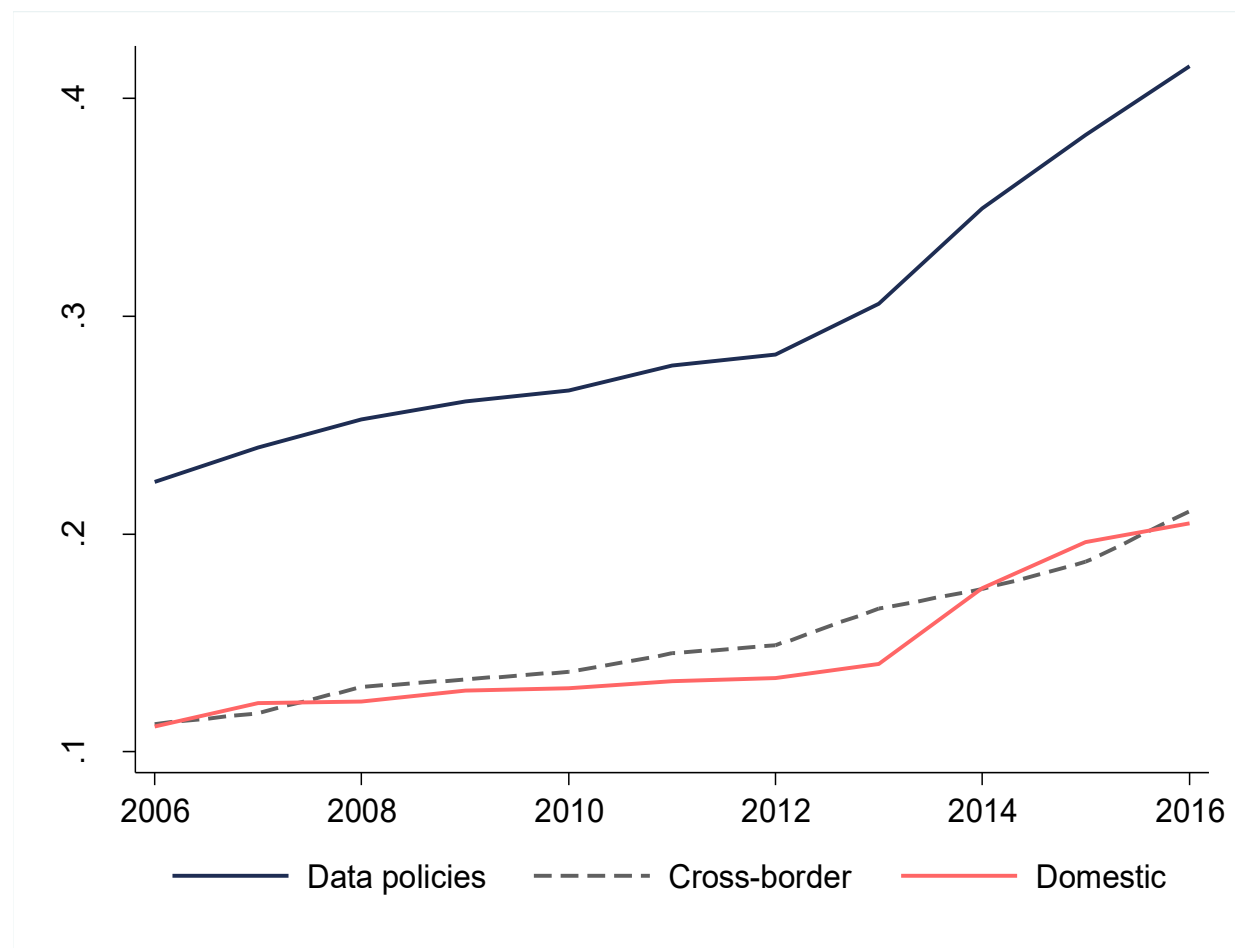
USITC (2017)



All "data" policies



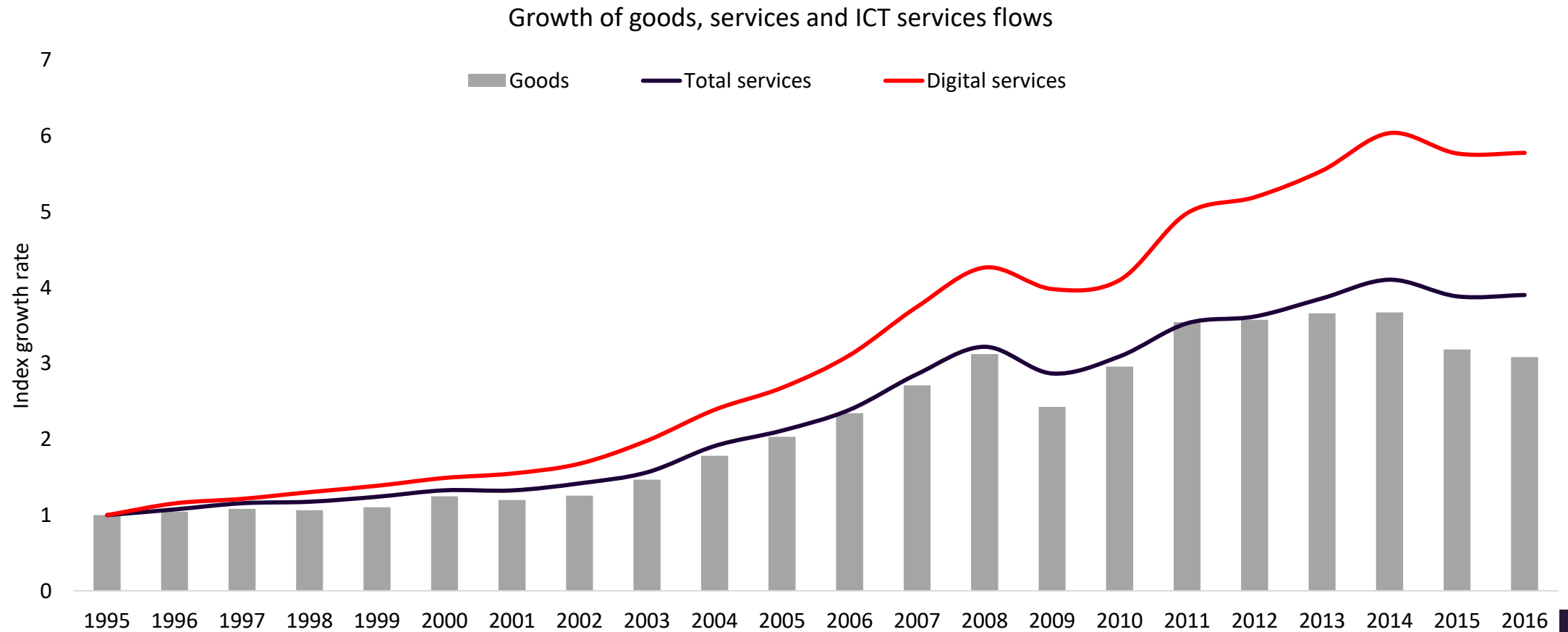
“Global” trend in data policies



Digital services (future)

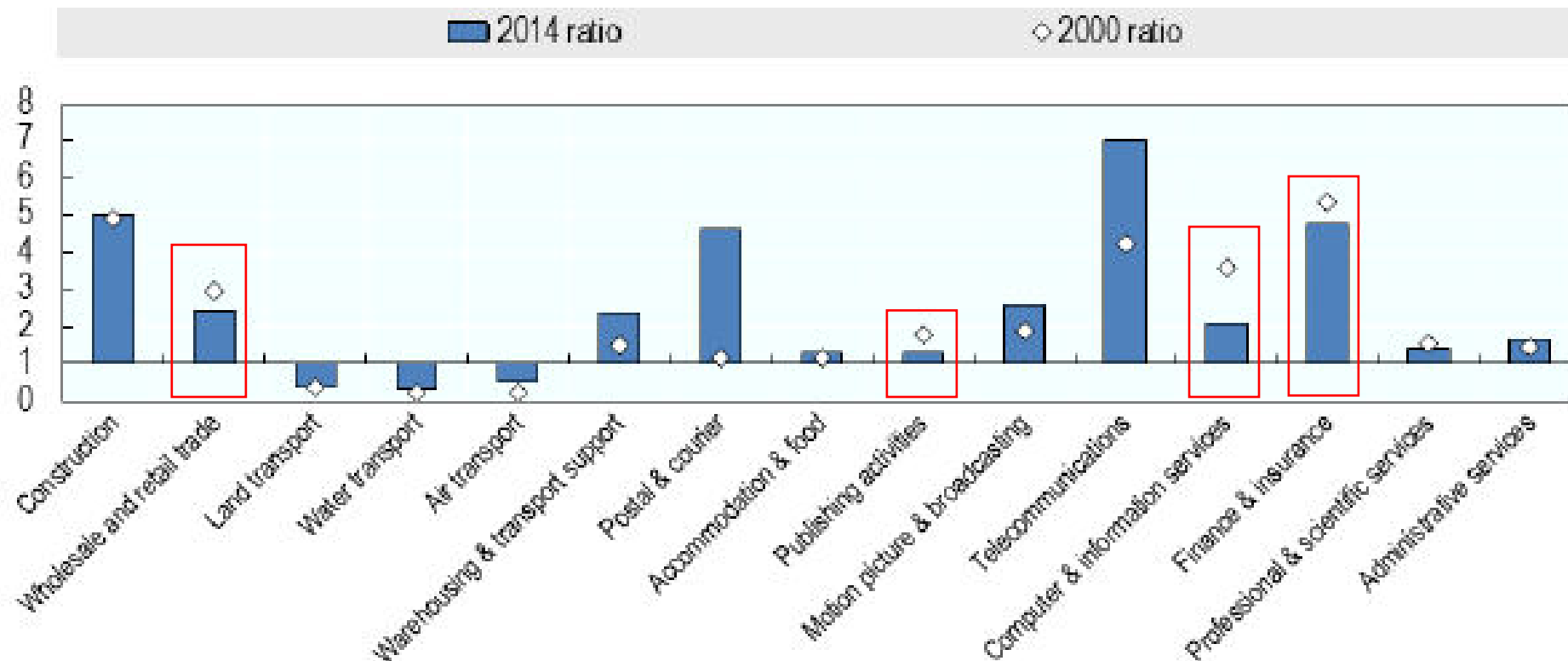
- Digital services or digital-enabled services
 - The role of “data”

Services over the internet



Data-intensive services (Mode 3 / Mode 1; gross terms)

Figure 11. Ratio of mode 3 to cross-border trade in services, by industry, 2000 and 2014

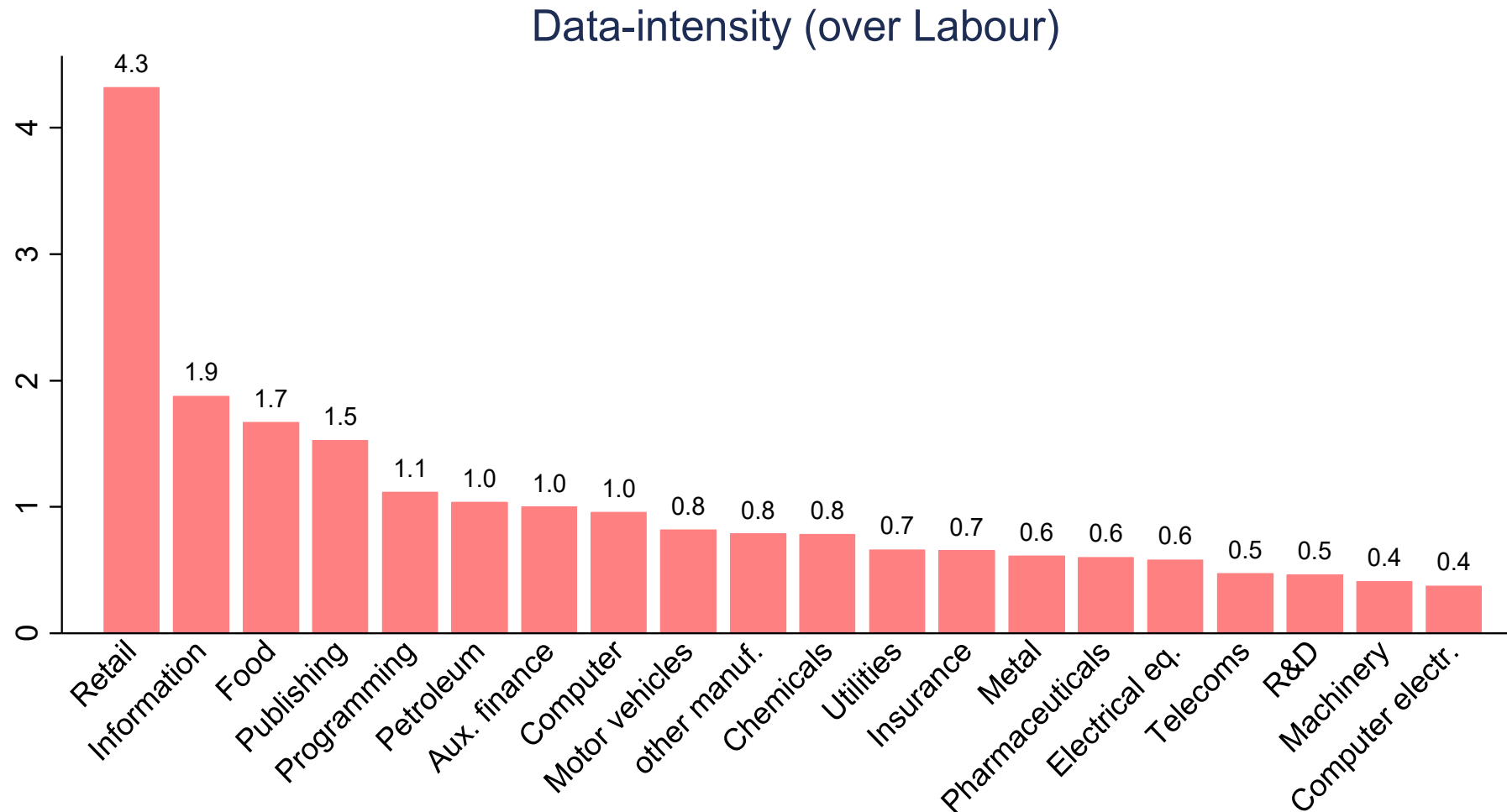


Source: Andrenelli et al (2018); using analytical AMNE database.

The role of data in globalization

- Contribution of data to GDP > goods (McKinsey)
- Particularly great role in Artificial Intelligence (Goldfarb and Trefler, 2018)

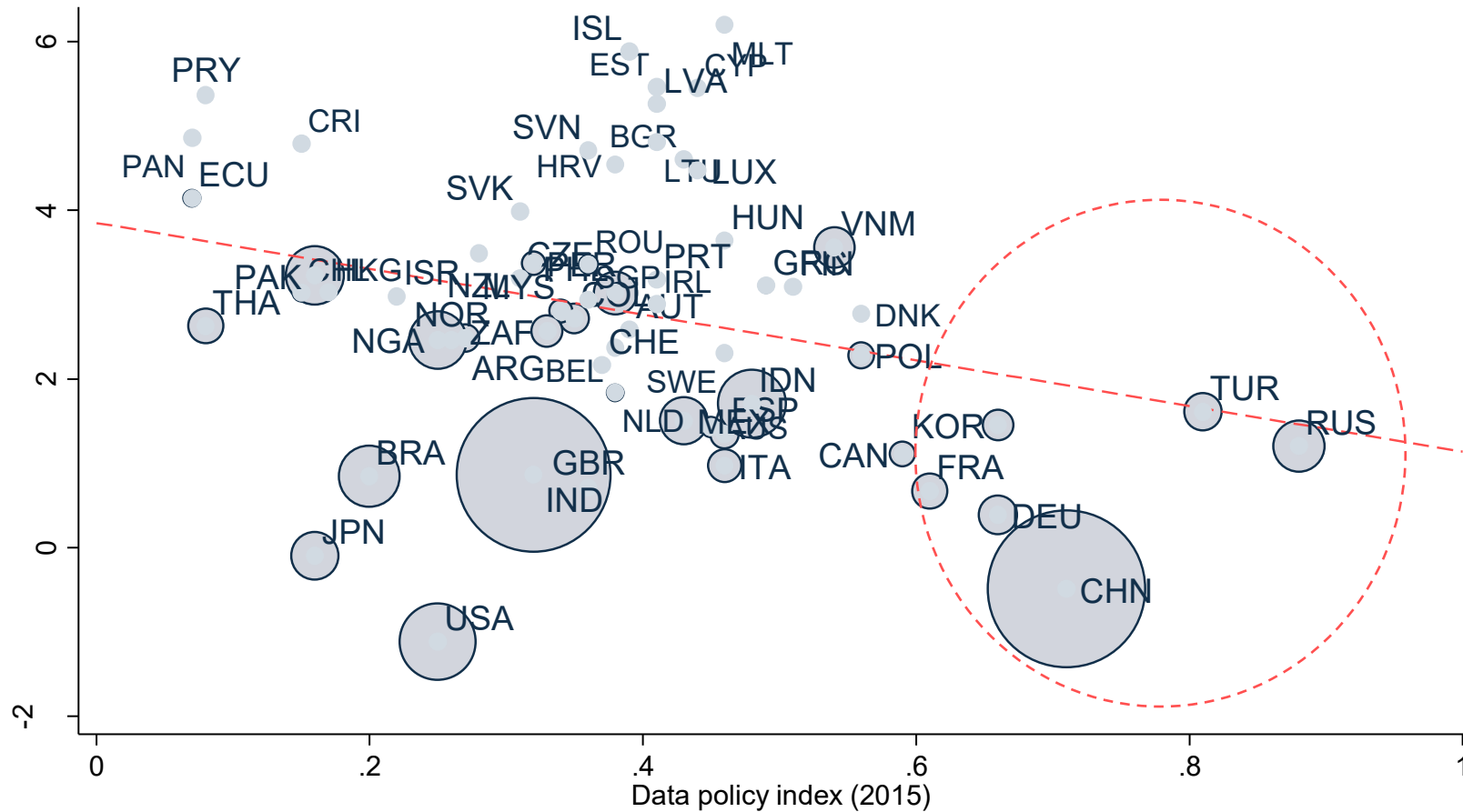
Data-intensity (US Census)



Are data policies harmful?

- Yes, they lower productivity and lower **trade in services**
- Productivity losses are high – **role of ideas** in technology

Data policies and imports



Conclusions

- Trend in digital / data policies rising
- Data essential ingredient in services & advanced GVCs
- Some big emerging economies most restricted
 - However, negotiating sides looks complicated