Electronic Commerce: Policies for the Emerging Marketplace

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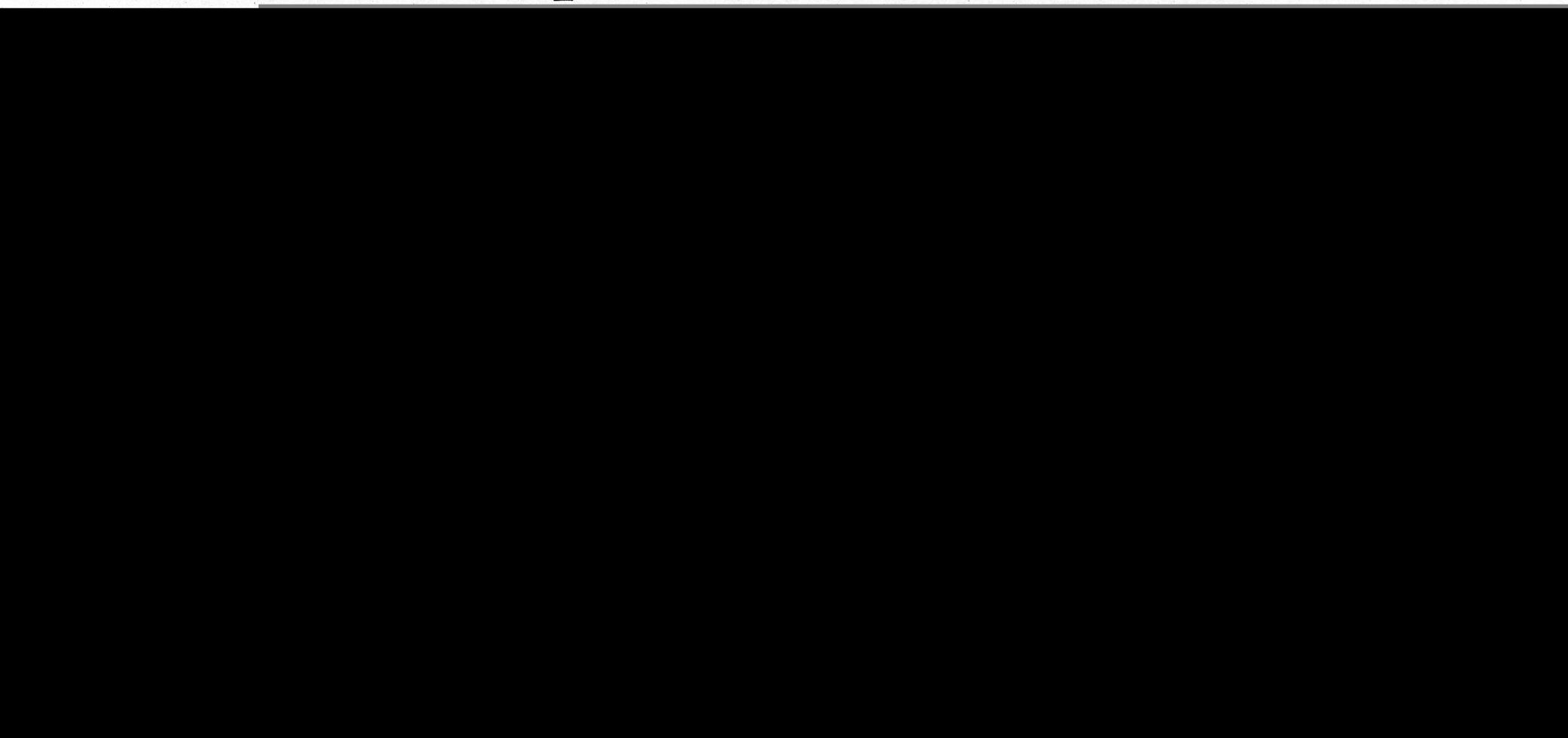
the Emerging Marketplace

Disclaimer

The views expressed in this presentation



Electronic Commerce
By the Numbers

- **As of February 2000, there were an estimated 275 million Internet users worldwide**
- **The number of Web pages has grown almost 25% from last summer, totaling more than 1 billion pages of information on the Internet**
- **As of Jan. 2000, there were over 72 million hosts on the Internet, up from 56 million in July 1999**
- **U.S business-to-business e-commerce amounted to US$43.1 billion in 1998, and reached over US$100 billion in 1999. E-commerce retail numbers for 1999 TBA March 3, 2000**
- **By 2003, trading online between companies is conservatively projected to reach US$1.3 trillion - an annual growth rate of 99%**

Source: Nua, Inktomi, Network Wizards, Computer Economics, International Dat

U.S. Framework for Global Electronic Commerce

July 1997

- **The private sector should lead**
- **Governments should avoid undue restrictions on electronic commerce**
- **Where governmental involvement is needed, its aim should be to support and enforce a predictable, minimalist, consistent and simple legal environment for commerce**
- **Governments should recognize the unique qualities of the Internet**
- **Electronic Commerce over the Internet should be facilitated on a global basis**

The Policy Structure

- **Establishing a Legal Framework**
  - **electronic contracts**
  - **digital signatures**
  - **taxation**
  - **tariffs**
  - **jurisdiction**
- **Building the Infrastructure**
  - **increasing access to bandwidth**
    - **telecommunications competition policy**
    - **spectrum policy**
  - **opening markets abroad**
  - **standards development**
  - **fostering interoperability**
  - **domain names management**

- **Increasing Confidence in E-commerce**
  - privacy
  - consumer protection
  - authentication
  - security/reliability
  - access to content
  - intellectual property protection
- **Facilitating Growth**
  - Bridging the "digital divide"
    - differences by race, gender, income, geography
    - physical disabilities
    - Internet access abroad
  - Outreach to small and medium-sized enterprises
- **Measuring the Digital Economy**
- **R & D**
- **E-Government**

Policy Making for E-Commerce

The Initial View:

"Government should keep its hands off the Net" because it is too slow and uninformed to intervene successfully

What We're Learning:

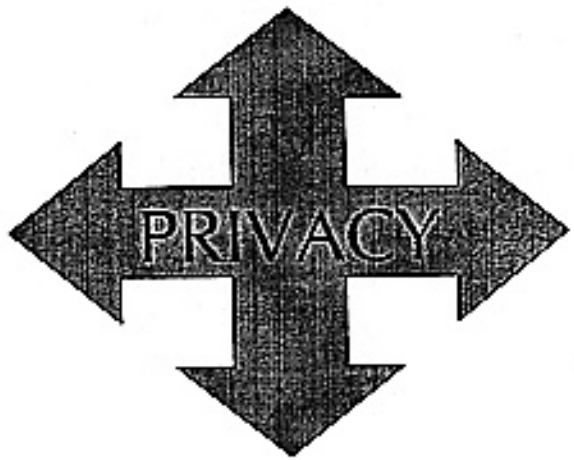
Each issue requires a different approach. This may involve self-regulation, technological solutions, education, and/or various forms of governmental action

Self-Regulation:

- Privacy Statements
- Codes of Conduct
- 3rd Party Enforcement
- Advertising Leverage

Technology:

- P3P
- Anonymizers
- Encryption



Government Action:

- *Children's Online Privacy Protection Act*
- Medical Records
- Financial Services
- FTC action on deceptive claims
- EU Directive

Consumer Education

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For further information

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