Electronic Commerce: Policies for the Emerging Marketplace

Elliot E. Maxwell

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Disclaimer

The views expressed in this presentation are those of the presenter and do not necessarily reflect the view of any other employee or entity of the U.S. Government.

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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
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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

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- **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
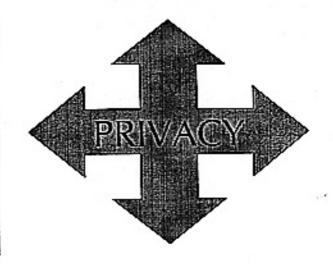
What We're Learning:

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

PRIVACY

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

www.ecommerce.gov
emaxwell@doc.gov