



Commerce Department Digital Economy Agenda

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Topics for Discussion

Our agenda today includes:

- The Digital Economy: Motivating Ideas
- Grand Challenges and Opportunities
- Digital Economy Activities and Priorities for 2016
- Structural Initiatives
- Questions for Discussion



The Digital Economy: 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 United States is the largest global exporter of services, exporting \$662 billion in 2013. [USDoC]

But we cannot take this kind of success for granted.



The Digital Economy Agenda

- The Commerce Department has rolled out an agency-wide Digital Economy Agenda to ensure America's businesses and consumers thrive at a time of rapid technological change and global competition.
- This initiative builds on the work of the Department's 12 bureaus and nearly 47,000 employees located in all 50 states and more than 86 countries worldwide, and compliments the Department's innovation agenda and data initiatives.
- The Digital Economy Agenda is designed to create a coordinated, strategic Department-wide program of work to support American industry and consumers, and the transformative power of the Internet and other digital technology.



Framework: Grand Policy Challenges

1. **Global free exchange of information** - A free and open global Internet, with minimal barriers to the flow of data and services across borders, is the lynchpin of the digital economy's success.
2. **Trust and security online** – American business needs a framework at home 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 skilled 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.



Opportunities and Policy Priorities for 2016

Free and Open Internet

Cross-border data flows – Expand programs to support the free flow of digital trade.
IANA transition – Complete IANA transition with suitable accountability.
EU Digital Single Market – Engage with EU on DSM initiatives and impact on U.S. firms.

Trust and Security

EU Privacy Safe Harbor – Successfully conclude negotiations and garner EU approval.
Cybersecurity – Expand use of NIST 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.”



Questions and Thank You

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