There used to be only two ways to buy a book: either order it via a catalogue or book club -- a sometimes lengthy and unreliable process -- or, more commonly, simply go to a shop, pay cash and take it home in a paper bag. Now, a customer can visit an online bookshop, view a book, read its blurb, browse through the shop's collection, make a selection, and pay for the book online. The book may be delivered physically or, in some cases, downloaded onto the buyer's computer. These new ways of buying a book apply to other goods and services too. And as many of the orders are international, this raises challenging issues for existing trade rules.

In other words, electronic commerce -- the production, advertising, sale and distribution of products via telecommunications networks -- is both dependent upon trade and transforming the way in which trade is conducted. Trade lies at the heart of these transformations, both of goods (e.g., computers) and services (e.g., telecommunications services), with liberalisation playing its part by making technology cheaper and more widely accessible.

Electronic trade is booming. A growing number of products, from books to cars, are being marketed, sold and, increasingly, delivered online, including across borders. While precise figures for e-commerce are hard to come by, it is estimated that e-commerce will grow to $US2.5 trillion by 2004 (International Data Corporation, "The Internet Economy", www.idc.com). Electronic commerce has opened new markets for traders, large and small, including those from developing countries.

But for much of the world, ordering a book over the Internet is not yet a reality. Good trade policy can help bring technology closer to users and in so doing, bridge the so-called digital divide. In fact, the potential of e-commerce as a development tool is very much on the minds of trade policymakers. A large engine manufacturer in Europe can, via Internet, source a component to a small manufacturer in Asia, whose previous market was more local. This is because well-designed trade policies open up markets and increase access, bringing prices down for infrastructure and technology Software engineering in India, insurance claims processing in Jamaica or remote bookkeeping in Zimbabwe: all have grown thanks to a mix of technology and trade opportunities. Traditional activities have benefited too, like fanning and handicrafts, mainly by creating new possibilities for marketing, supply and distribution.

But while businesses around the world can use new communications technology to overcome many of the obstacles to growth, the cost...  


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Negotiating on trade issues related to electronic commerce will demand self-inspection of key domestic policies, particularly in telecommunications, financial services, and distribution and delivery. Technical aspects of electronic commerce, its complexity and the characteristic of network externalities should change the way that developing countries approach the external negotiating process to depend more on cooperative effort through their regional forums (APEC, FTAA). E-commerce is not a service, nor a good, but something that is comprised of both. But the complementarity between domestic policy and trade strategy is tighter in the case of e-commerce and the internet. The term electronic commerce or e-commerce as it is popularly known; refers to a comprehensive system of trading that uses networks of computers for buying and selling of goods, information and services. Using information and communication technology, e-commerce can take place between companies and their customers. Thus, e-commerce includes buying and selling of -- Goods- e.g. digital products, Books, Consumer Electronics, Fine Art, Health & Personal Care, Home & Garden Tools, clothes, accessories. Information- e.g. subscription to some law site may give access to some court cases. Ser... Services trade may be the component of world trade most directly affected by COVID-19 through the imposition of transport and travel restrictions and the closure of many retail and hospitality establishments. Services are not included in the WTO’s merchandise trade forecast, but most trade in goods would be impossible without them (e.g. transport). Unlike goods, there are no inventories of services to be drawn down today and restocked at a later stage. As a result, declines in services trade during the pandemic may be lost forever. Trade in services between China and the US is flourishing and highly complementary. Therefore, if trade in goods and services as well as two way investment are taken into account, China US trade and economic relations are mutually beneficial, rather than the US “being taken advantage of.” (I) The tariff measures the US imposed harm others and are of no benefit to itself. China’s investment in the US continues to fall and the growth rate of US investment in China has also slowed down. According to Chinese statistics, direct investment by Chinese companies in the US was US$5.79 billion in 2018, down by 10 percent year on year. 6 In 2018, paid in US investment in China was US$2.69 billion, 7 up by only 1.5 percent year on year compared with an increase of 11 percent in 2017.