GOVERNMENT & GLOBAL E-COMMERCE
WHAT ARE SOME PROBLEMS ENCOUNTERED WITH WEB GLOBALIZATION?
Barriers to Global ECommerce

What Do You Think Are Important Issues?

- Trust & Identification of buyers and sellers
- Legal Issues & Role of government (s)
- Market Access Issues
- Financial Issues
- Security (for example, viruses)
- Cultural diversity
- International agreements (multi-lateral agreements)
- Language and translation
DEVELOPED NATIONS PROBLEMS PROBLEMS PROBLEMS

- Japanese prefer to pay cash
  - SOFTBANK Venture with 7-eleven, Yahoo! Japan and Tohan (book distributor)
  - Order CDs on web pick up/pay @7Eleven

DEVELOPING NATIONS LACK INFRASTRUCTURE

- Shared use of computing, Cafes, Rented computer/cell phones

Cultural design and location specific sites – Regional Sites

Check it out! NIKE.COM AND NIKEBOOTBALL.COM
TRANSLATION SOFTWARE

IDIOM TECHNOLOGIES
- TRACKS ALL SITES
- REDUCES THE COST OF MAINTAINING XLANGUAGE SITES

LERNOUT & HAUSPIE
- VARIETY OF USEFUL TRANSLATION SERVICES
- ROUTINE CAN USE AUTOMATED SOFTWARE
  - 4,000,000 VS 400 TO 600 WORDS PER MINUTE
  - GENERALLY “LOCALIZATION” OVER TRANSLATION IT CONSIDERS MULTIPLE ELEMENTS OF LOCAL ENVIRONMENT (E.G. business, cultural, local dialect variations)

Check out altaVista’s translation site BABLE FISH
While geographical market boundaries may be falling, global interest-based communities will spring up.

The emergence of the Internet and the extranets resulted in an inexpensive and flexible infrastructure that can greatly facilitate global trade.

World Prices of New Technologies Fall Will this equate to more equal access or Greater Digital Divide?

More people in the world have cell phones (phones) than have toilets.
Internet users per 100 inhabitants 1997-2007 (Source: ITU)
THE INTERNET IS CHANGING THE DYNAMICS OF BUSINESS
DUTCH FLOWER GROWERS
VERSUS
THE TELE-FLOWER AUCTION (TFA)

• 11,000 SELLERS
• 3,500 FLOWER TYPES
• 5,000 BUYERS
• 120 AUCTION GROUPS
WHERE IS THE INTERNET GROWTH GLOBALLY?

[Graph showing the growth of internet users globally from 1990 to 2008, with lines representing different regions: Africa, Americas (incl. USA), Asia, Europe, Oceania, and USA. Each region shows a steady increase in internet users over the years.]
TOP LANGUAGES ON THE INTERNET

- English: 452
- Chinese: 321
- Spanish: 129
- Japanese: 94
- French: 73
NON ENGLISH NATIVE SPEAKERS REPRESENT 74% USERS

Source: Byte Level Research
HelloBrain cSource
An Enterprise Solution for Streamlining & Managing Proposal-Based Sourcing & Development Processes for Complex Goods & Services

NEWS

HelloBrain Launches New Enterprise Strategy
read more

HelloBrain Launches the First Enterprise Application for Collaborative Sourcing
read more

FEATURES

HelloBrain introduces new application for support of complex collaboration
read more

Cos Angeles Times
HelloBrain CEO discusses new growth software markets emerging out of a tech downturn
read more

INDUSTRY

Semiconductor and High-Tech Outlook: Collaboration -- Art, Science, or Just Luck?
read more

Business Journal
Outsourcing can become a key competitive advantage
read more

Quotes

"HelloBrain offers users a way to collaborate in the context of a process, and to sort through complexity."
Robert Mahowald, IDC
Read what people are saying...

PRIVATE EXCHANGES

SYNOPSYS

Intellectual Capital Exchange

Global Internet Statistics
(by Language)

Here are the latest estimated figures of the number of people online in each language zone (native speakers). We classify by languages instead of by countries, since people speaking the same language form their own online community no matter what country they happen to live in.

(Projected E-commerce figures by country)

<table>
<thead>
<tr>
<th>Language</th>
<th>Internet access (M)</th>
<th>%'age world online pop.</th>
<th>2003 Total pop. (M)</th>
<th>GDP ($B)</th>
<th>%'age of world economy</th>
<th>GDP per capita (K)</th>
<th>Net Hosts</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>231</td>
<td>43.0%</td>
<td>270</td>
<td>360</td>
<td>$13,812</td>
<td>33.4%</td>
<td></td>
</tr>
<tr>
<td>Non-English</td>
<td>307</td>
<td>57.0%</td>
<td>505</td>
<td>5340</td>
<td>$27,590</td>
<td>66.6%</td>
<td></td>
</tr>
<tr>
<td>European Languages</td>
<td>174.0</td>
<td>32.3%</td>
<td>290</td>
<td>1,089</td>
<td>$12,550</td>
<td>30.3%</td>
<td></td>
</tr>
<tr>
<td>(non-English)</td>
<td></td>
<td></td>
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<tr>
<td>Catalan</td>
<td>0.7</td>
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<td>8</td>
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</table>
HOW WILL SHE SELL HER GOODS INTERNATIONALLY?

HOW WILL THEY KEEP PACE WITH THE E WORLD AROUND THEM?
SUSTAINABLE ECONOMIC POWER IN S/E ASIA

SOCIAL EQUITY & PROSPERITY

ENVIRONMENT FRIENDLY SOCIETY

IT-ENABLED THAILAND

NATIONAL INFORMATION INFRASTRUCTURE

HUMAN RESOURCE

GOOD GOVERNANCE
SchoolNet Access is available free of charge to schools nationwide. Phone call is USD 0.08 per call everywhere.

4,260 Schools are

Narrowing the Digital Divide

2 Mbps

5.6 Mbps
An initiative to bridge the digital divide in local

[Image of a monk presenting in a bus setting]
KOREAN GOVERNMENT DESIGNE AN INTERESTING APPROACH E-MALLS FOR ARTISIANS

- PAYMENT
- SHIPPING
- WEB MAINTENANCE

WOULD YOU CONSIDER IT A LEGITIMATE GOVERNMENT ROLE?
UP NEXT - THE ROLE OF THE GOVERNMENT AND REGULATIONS
WHAT DO YOU BELIEVE IS THE ROLE OF GOVERNMENT?

SOME ISSUES:

SELF REGULATION VS GOVERNMENT REGULATION

NEW TECHNOLOGIES HAVE CREATED CHALLENGES FOR REGULATIONS

FREE SPEECH, PRIVACY, INTELLECTUAL PROPERTY HOW IS INTERNET REGULATED?
The U.S. Policy Clinton – Gore, 1997

1. Private sector should lead
2. Governments should avoid undue restrictions on EC
3. Where government involvement is needed, its aim should be to support and enforce a predictable minimalist, consistent and simple legal environment for commerce (Intect. protection, fraud etc)
4. Governments should recognize the unique qualities of the Internet
5. Electronic commerce on the Internet should be facilitated on a global basis
AGREEMENT ON
3 CATEGORIES OF ECOMMERCE LAW

1. PHYSICAL LAYER OF INFRASTRUCTURE

2. CONTENT

3. BUSINESS LOGIC AND CODES
Internet Corporation For Assigned Names and Numbers (ICANN)

ICANN is responsible for the global coordination of the Internet’s system of unique identifiers. These include domain names (like .org, .museum and country codes like .UK), as well as the addresses used in a variety of Internet protocols. Computers use these identifiers to reach each other over the Internet. Careful management of these resources is vital to the Internet’s operation, so ICANN’s global stakeholders meet regularly to develop policies that ensure the Internet’s ongoing security and stability. [Read More About ICANN]

1. PHYSICAL LAYER

WHO IS ICANN?
Internet Corporation for Assigned Names and Numbers (ICANN)

• Created 1998- www private/nonprofit Consortium to engage in internet regulation (DNS domain name system)

• Headquartered in Marina Del Rey, California, is a California non-profit corporation certify web sites/privacy policies

• to oversee a number of Internet-related tasks/ managing the assignment of domain names and IP addresses on behalf of the U.S. Government

The tasks of ICANN include To date, much of its work has concerned the introduction of new generic top-level domains. RECENTLY ALLOWED SYMBOLS AND NON ENGLISH SIGNS/LETTERS
ICANN technical work is referred to as the IANA function; the rest of ICANN is mostly concerned with defining policy.

An entity that oversees global IP address allocation, DNS root zone management, and other Internet protocol assignments. It is operated by ICANN.

On September 29, 2006, ICANN signed a new agreement with the United States Department of Commerce (DOC) step forward toward the full management of the Internet's system of centrally coordinated identifiers through the multi-stakeholder model of consultation that ICANN represents.

2000 held direct election for half of directors email based

Demonstrated impossibility of global representation

NEW PLAYERS: G-8 DIGITAL OPPORTUNITY TASK FORCE
UN INFORMATION AND COMMUNICATIONS TASK FORCE
EUROPEAN AND WORLD PRESSURE 2008
INFRASTRUCTURE question who has the right to pass on, or to bar, transmittal of Wireless Internet services.
Welcome to China!

Your IP address:
218.25.251.170

Your Location:
CHINA

Instructions:
You are inside the Chinese Wall now. Make yourself a pi internet in China - Go, browse the Web!
Note: If your connection doesn't respond, click on the 'Go' button to try to establish a new connection.

Who has the right to block?
IS THE THREAT TO NATION’S SECURITY A MYTH OR A REALITY?

ATTACK ON ESTONIA MAY 9, 10 2007
2. CONTENT: IS PRIVACY A RIGHT?

"On the Internet, nobody knows you’re a dog."
5 Privacy Protection Basics

1. NOTICE AWARENESS - given notice to make informed decisions.

2. CHOICE CONCENT — aware of how personal information used. Consent granted through `opt-IN/ OUT clauses.

3. ACCESS/PARTICIPATION - able to access personal information & challenge data.

4. INTEGRITY/SECURITY — assured data is secure and accurate.

Intrusions of the Wireless Network

"poor" Paris Hilton - PDA hacked at an airport (2005) and the names of her "rich and famous" friends stolen.

A 17 year old Massachusetts youth pleaded guilty to obtaining and posting on the Web Hilton's cell phone address book. Sentenced to 11 months' detention in a juvenile facility, to be followed by two years of supervised release.

Paris Hilton sleep easy - he is barred from possessing or using any computer, cell phone or other electronic equipment capable of accessing the Internet any time during the detention or supervised release.
## 2. CONTENT: FREE SPEECH OVERVIEW

<table>
<thead>
<tr>
<th>Overview</th>
<th>Current status of Internet regulation</th>
<th>Legislation in the pipeline</th>
<th>Future impact on e-commerce, consumers and the government</th>
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</thead>
<tbody>
<tr>
<td>- The Internet has brought a twist to the free speech issue, testing whether Americans believe in anonymous free speech</td>
<td>- Courts have tended to treat Internet free speech issues as they would offline free speech issues</td>
<td>- The First Amendment solidly protects free speech</td>
<td>- ISPs could lose customers if they are forced to reveal the identity of users who say hateful things</td>
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<td>- European countries have stricter laws about what can and cannot be said</td>
<td>- The ACLU has fought on behalf of students suspended for criticizing their schools online</td>
<td>- Courts will determine who can sue whom for slanderous remarks, and when ISPs have to disclose the names of their users</td>
<td>- The perceived veracity of information on the Internet could be questioned if people are not held responsible for what they say</td>
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<tr>
<td>- Lack of borders obfuscates whose free speech rules to use</td>
<td>- The US Supreme Court upheld CIPA (Child Intereent Protection Act) which ties Federal support of libraries to utilization of Internet pornography filtering software</td>
<td>- Some states are drafting their own pornography filter laws to cover public libraries and school libraries that do not receive Federal money and so are exempt from CIPA</td>
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<tr>
<td>- Most agree that some barriers to truly objectionable material should exist (e.g. Child Pornography)</td>
<td>- US Courts have recently compelled an ISP to reveal the names of users suspected of violating copyright law (RIAA v. Verizon).</td>
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</table>
only been a few laws passed to deal directly

Additional Security References

OnGuard Online
Practical tips from the federal government and the technology industry to help you be on guard against Internet fraud secure your computer and protect your personal information.

Stay Safe Online
Cyber security tips for families, educators and small business, from the National Cyber Security Alliance.

Get Net Wise
A public-service site that puts you only one click away from the resources you need to make informed choices about your and your family's use of the Internet.
3. BUSINESS LOGIC/CODES

"It is a good way to promote your music, but copyright and things of that sort are something that will have to be worked out and they will be worked out..." – B.B. King

<< note >>

Welcome to Napster

Just a year ago Napster changed the face of music. Now, you can download and share songs without installing Napster. It’s fun, simple, free, and available for Windows and the Mac.

News

Napster’s partnership with Bertelsmann has a lot of people talking. Take a look at our answers to some of the most frequently asked questions about the future of Napster as a community and as a business: Napster/Bertelsmann Q & A. You can also read a general statement about the Napster/Bertelsmann partnership.

Featured Music

BACK BY NAPSTER DEMAND! 22 year-old Indie Folk Rocker Erin McKeown is a valedictorian in the new class of up-and-coming singers/songwriters. With a fluid guitar style, bewitching voice, and provocative lyrics, this Brown University grad is able to swing, rock, funk it up, and sing the blues with effortless charm. It won't be long before McKeown is well-known. Search Napster for "Blackbirds" by Erin McKeown.
Should the internet be taxed?

- Absolutely - it was great while it lasted: 52%
- Okay, except for digital downloads (eg. music and software): 24%
- I don’t care: 17%
- Having to pay sales tax would not be a “killer” but I wouldn’t like it: 7%
- Absolutely not: 0%

Source: RSR Research
Tax Issues U S alone, 36,000 state/local tax jurisdictions. The global nature hundreds thousands jurisdictions

Are some tax issues really ways to protect state business?
RANK THE FOLLOWING:
COST & USE

HOST PER 1000

COST 20 HOURS OF INTERNET USE

Source: OECD
WHAT ABOUT INTERNET GAMBLING?

- WTO Rules Against U.S. Web-Gambling Ban

- The WTO has ruled that U.S. laws prohibiting on-line betting violate global trade pacts. If the ruling stands, the United States would be forced to either change its gambling laws or face trade sanctions.

- Ruling US is in violation 2008
# The Intellectual Property Overview

<table>
<thead>
<tr>
<th>Intellectual Property</th>
<th>Overview</th>
<th>Current status of Internet regulation</th>
<th>Upcoming Regulation</th>
<th>Future impact on e-commerce, consumers and the government</th>
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<tbody>
<tr>
<td><strong>Overview</strong></td>
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<tr>
<td>Copyright law has proved to be the biggest and most immediate challenge for Internet businesses and consumers.</td>
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<td>Trademarks and patents are also an issue.</td>
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<td>The music industry has grappled with the copyright issues raised by new technology.</td>
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<td>The emergence of broadband will force all companies that create intellectual capital (film, books, software, etc.) to confront the copyright issue.</td>
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<tr>
<td><strong>Current status of Internet regulation</strong></td>
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<tr>
<td>The Copyright Act of 1976 protects literary, musical, dramatic, motion picture and architectural works, as well as sound recordings.</td>
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<td>The Fair Use Doctrine gives the public the right to use copyrighted work for educational, critical, commentary, reporting or parody purposes.</td>
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<td>The Digital Millennium Copyright Act prohibits the circumvention of worldwide copyright protection systems, and says that a copyright owner cannot hold an online service liable for a subscribers infringement.</td>
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<tr>
<td><strong>Upcoming Regulation</strong></td>
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<tr>
<td>Much of the proposed legislation protects Internet users.</td>
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<td>Suggested laws would allow users to make digital recordings of purchased CDs and store them on the Internet.</td>
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<tr>
<td>Copyright protection remains a live and contentious issue in the US Congress with 12 bills introduced in the House and Senate relating to the issue as of summer 2003.</td>
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<tr>
<td>Industry Groups have remained on the offensive with lawsuits against ISPs and individuals they believe have violated copyright laws.</td>
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<tr>
<td><strong>Future impact on e-commerce, consumers and the government</strong></td>
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<tr>
<td>Websites that have infringed on copyrights have been most affected.</td>
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<td>Record companies have been affected by file-swapping sites.</td>
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<tr>
<td>The Recording Industry Association of America says that purchases of singles went down 38 percent in 2000 because of sites like Napster.</td>
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<tr>
<td>A Forrester report confirms the idea that the record companies would be hurt, estimating that the industry stands to lose $3.1 billion by 2005.</td>
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</tbody>
</table>
The Copyright Act of 1976

owner of the copyright the ability to replicate and distribute the material.

The **Fair Use Doctrine** that provides for the public the right of fair use of this material.

Of specific interest to Internet

**Digital Millennium Copyright Act of 1998**

(1) go around a technologically protection measure as mandated by the World Intellectual Property Organization (WIPO).

(2) that a copyright owner can not hold an online service **ISPs** provider liable if a subscriber infringes on the owner's rights.
The End of The Day
Consumers may not be Concerned about Privacy

The Pew Internet & American Life Project - half of online users do not know how personal information is tracked on the Internet & only 5 percent have used anonymizing software. It does not seem that many users are willing to take time to explore ways to protect themselves & continue to conduct personal financial transactions on the Internet. While worried - not sufficiently concerned about their personal privacy to relinquish the advantages the Internet has to offer.

We actually have no idea who has information on us that they are sharing with others or using themselves.
How do we know what is true?

An offer from Rashman Khan that is just too good to pass up. Millions wait for me!

Dear Friend,

This letter must come to you as a big surprise, but I believe it is only a day that people meet and become great friends and business partners.

I am Mr. Ateeq Rahman KHAN, currently Head of Corporate affairs with a reputable bank here in Dubai - U. A. E. I write you this proposal in good faith, believing that I can trust you with the information I am about to reveal to you.

I have an urgent and very confidential business proposition for you. On November 6, 2000, an Iraqi Foreign Oil consultant/contractor with the CHEVRON PETROLEUM CORPORATION, MR. KHALIL AL NASSER made a (Fixed deposit) for 36 calendar months, valued at US$17,500,000.00 (Seventeen Million Five hundred Thousand Dollars only) in my bank and I happen to be his account officer before I was moved to my present position recently. Upon maturity in 2003, as his account officer and as well the bank manager, it is my duty to notify him on the maturity date so I sent a routine notification to his forwarding address but the letter was returned undelivered.

After sometime, I tried sending back the letter, but it was again returned and finally I discovered from his contract employers, Chevron Petroleum Corporation that Mr. Khalil Al Nasser died as a result of torture in the hand of Saddam Hussein (former Iraqi President) during one of his trips to his country Iraq, as he was accused of leaking information to the Americans. On further investigation, I discovered that Mr. Al Nasser’s family wife and two sons died during the Gulf War in Iraq and was the reason why he did not declare any next of kin or relation in all his official documents, including his Bank Deposit paperwork in my Bank and did not leave any WILL. This sum of US$17,500,000.00 have been floating and placed under dormant/unserviceable account by my bank management since no one have heard from the owner since 2003. I wish to let you know that all the investigation I have made so far, my bank management is not aware of it, I am the only one that have the information.

With the recent change of government in my country and with their efforts to support the United Nations in checkmating terrorism aid in the U. A. E.

By end of this year, the government will pass a new financial control law which will give the government authority to interrogate account owners of above $5,000,000.00 to explain the source of the funds, making sure it is not for terrorism support. If I do not move this money out of the country immediately, by end of the year the government will definitely confiscate the money, because my bank cannot provide the account owner to explain the source of the money.

I cannot directly transfer this money without the help of a foreigner and that is why I am contacting you for an assistance. As the Account Officer to late Al Nasser, coupled with my present position and status in the bank as Head of Retail Banking Group, I have the power to influence the release of the funds to any foreigner that comes up as the next of kin to the account, with the correct information concerning the account, which I shall give you. All documents to enable you claim this fund will be carefully worked out and there is practically no risk involved, the transaction will
Fraud can be more difficult to detect than the emails offering free millions.

Dear PayPal Member

Closing Accounts and Limiting Account Access

This is your official notification that your account has been Limited. We recently reviewed your credit card and it seems that you are using the same credit card for 2 accounts. As you can read in our User Agreement (section 2.13) opening multiple accounts is strictly forbidden. You are now requested to provide information relevant to your account. PayPal will investigate the matter promptly and if the investigation is in your favor, we will restore your account.

- PayPal Email ID: RP133320

How can I restore my account access?

Please visit the Resolution Center and complete the steps to remove limitations.
you visit their web site at TRUSTe® for additional information.