Digitisation Growth and Economy

Why in news?

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Economic Outlook for Southeast Asia report for China and India has been released by OECD development centre.

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What are the findings of the report?

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- The report indicates that ICT (information and communication technology) services embodied in manufacturing and services.
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- It account for a considerable share of the value of exports from China, India and other Asian nations.
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- Government embracing ICT in its operations and services are enabling India to play a significant role in the digital economy.
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- Report has found out that digital payment services have provided flexibility and transparencyand digital learning platforms have augmented literacy.
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- Though India pioneered offshore IT services to contribute to exports worth $150 billion, it is this wave of digitisation that has brought ICT services to the domestic market at large.
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What is the relevance of Digitisation and economy?

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- Various data shows that cross-border goods, services and financial flows contribute to about $30 trillion and about 40 per cent of world GDP.
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- There is increasing trend in knowledge intensive data flows compared to

capital and labour intensive flows.
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- These flows typically have high research and development (R&D) component and intellectual property, and enable exchange of ideas, thoughts and expressions, facilitated by the digital platforms.
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What Policy measures needs to be taken?

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- The use of digital technologies requires higher-order cognitive, socio-emotional, and technical skills that help respond to fast-changing technologies and their adoption at scale.
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- India’s technical and management institutes revamp their curriculum to integrate all the above features instead of promoting rote learning.
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- Movement of information across borders is crucial to the operation of the digital economy, and thus to the producers of goods and services that rely on it.
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- Stricter data protection laws that govern such cross border digital flows is needed.
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- Since the digital economy is heavily based on intellectual property, strict protection to patents and copyrighted work, whether produced in India or elsewhere is also need to be implemented.
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- It is time governments took notice of services and programmes for digital inclusion of the society at large.
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Source: Business Line

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