

## **Global Distribution of Economic Values of Cross-Border Data Flows**

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Data is a key asset for firms to innovate, produce, and compete, and the scale of data flows affects the international division of labor. The distribution of the values of data and cross-border data flows is an important topic for global data governance, trade, investment, development, and tax policies. Policymakers around the world, however, have been negotiating agreements on data flows while estimation of the economic values pertained in the cross-border data flows and how they vary with time is unavailable. Using the internet traffic data from ITU and TeleGeography, I present the first estimate of the economic values of international data flows at the global, regional, and national levels. I find that: First, because the value of data depreciates, the value of data flows grows at a slower rate than that of data flows. Second, ten leading countries “control” over two thirds of international data flows. Though adopting a strict data policy, the value of China’s international data flows outpaced the US counterpart in 2014, and the gap has been widening. Third, the value of China’s international data flows is the highest in the world: It was worth US \$201 billion with an annual growth rate of 22.5% in 2017, when the U.S. counterpart was valued at US \$82 billion and continued to decline. Fourth, the value of cross-region data flows distributes very unevenly across the globe. The U.S./Canada-Latin America has the highest average value US \$75.2 billion, in 2021, with an average annual growth rate of 12.9% during 2018-2021. Lastly, Taiwan experienced the world’s highest growth in the value of international data flows during 2012-2017, when the average annual growth rate was 154%, indicating that smaller countries can increase the growth rates of international data flows, their economic values, and related investments by adopting an open data policy.