

The Impact of Barriers to Trade In Digital Services on Innovation in Manufacturing Firms

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Abstract. Digital trade in services strengthens the flow and sharing of high-end knowledge, technology, talents and other resources among countries and industries, promotes the accelerated optimization and integration of the global industrial chain and innovation chain, and digital trade in services can further activate the innovation factors and release the innovation potential, injecting new momentum for the innovation and development of Chinese enterprises in the context of the new era. Barriers to trade in digital services refer to various policies, regulations or measures against the cross-border flow of digital services, which may restrict the cross-border transactions of digital service providers and limit consumers' access to and use of digital services. The rapid development of the digital economy has led to further expansion of trade in digital services, which are now deeply integrated into the manufacturing sector. At the same time, barriers to trade in digital services are an issue that cannot be ignored. This paper examines the impact of digital service trade barriers on manufacturing firms' innovation based on micro evidence from listed companies in China from 2014-2019, and finds that digital service trade barriers inhibit firms' technological innovation by hindering their digital transformation, lowering the level of firms' information sharing, and preventing firms from engaging in international innovation cooperation.

Keywords: Barriers to digital services trade, manufacturing firms' innovation, digital economy.

1. Introduction

Digital trade in services is trade in services delivered across borders through digitalization, covering knowledge-intensive services such as telecommunications, computer and information services, and royalties for intellectual property rights (Lv Yenfeng et al. , 2021), and it is the expansion, extension and iteration of trade in services in the era of the digital economy. However, numerous and complex “within-border” digital services trade barriers bring a series of challenges to the healthy development of digital services trade: according to the OECD-DSTRI database data, during the period of 2014-2020, the global digital services trade barriers show a rising trend. According to the OECD-DSTRI database, global trade barriers to digital services show an upward trend between 2014 and 2020, and it is worth noting that, for the sake of safeguarding the country's data sovereignty and information security, the degree of China's restrictions on trade in digital services in terms of cross-border data flow, intellectual property rights and e-commerce is significantly higher than that of other countries around the world. The deepening of barriers to trade in digital services has led to “cross-border trade” in China's digital services.

The deepening of barriers to trade in digital services has led to serious constraints on the “cross-border trade” of digital services in China, which is not conducive to the free flow of high-end factors and the optimal allocation of innovation resources. China is a large manufacturing country, manufacturing is an important part of the real economy, but also the foundation of the country, the foundation of a strong country, is to enhance China's economic strength of the country. However, China's manufacturing industry has weak innovation capacity and other problems, resulting in its long-term at the bottom of the global value chain, restricting China's pace of progress towards a manufacturing power. The Outline of the Fourteenth Five-Year Plan for the National Economic and Social Development of the People's Republic of China and the Vision 2035 emphasizes the

importance of upgrading the technological innovation capacity of enterprises and puts forward specific measures and targets. Among them, improving the market-oriented mechanism for technological innovation and strengthening the status of enterprises as the mainstay of innovation are intended to encourage enterprises to invest more actively in the field of innovation and to guide the concentration of innovation factors towards enterprises. For China's manufacturing enterprises in China, it has become particularly important to seize the opportunity of digital trend and enhance their innovation ability in the post epidemic era.

The marginal contributions of this paper mainly include the following aspects: firstly, from a micro perspective, this paper investigates the impact of digital service trade barriers on enterprise innovation and its internal mechanism. By expanding the research horizons of digital service trade and focusing on the micro level, it expands the research boundaries of digital service trade for the existing literature. At the same time, this paper provides a new perspective for studying the driving factors of Chinese corporate innovation in the context of the new era. Second, this paper provides an in-depth analysis of the impact mechanism of the opening of digital services trade on enterprise innovation. From the perspectives of digital transformation, information resource sharing and international cooperation and innovation, it analyzes the micro conduction path of digital service trade opening on enterprise innovation. This analysis unveils the intrinsic link between digital service trade barriers and enterprise innovation, providing a new theoretical analysis for subsequent research framework. Third, this paper constructs a penetration index of digital services trade barriers through empirical analysis and applies this index to the empirical analysis. This analysis provides an important reference basis for China to formulate innovation-driven digital services trade liberalization policies based on innovation. By assessing the penetration degree of digital services trade barriers, it can reveal the potential impact of digital services trade opening on enterprise innovation, and then guide the formulation and optimization of relevant policies.

to use the paper for the book or journal in question.

2. Literature review

2.1. About trade in digital services

Wang Bin and Cai Hongbo (2010) earlier made a systematic definition of digital content services, arguing that digital services refer to digital products as well as services related to the manufacture and dissemination of digital products, and limiting the subject matter of trade to digital content and products [In 2012, the U. S. Bureau of Economic Analysis (USBEA) released the “Report on the Development Trend of Digital Services Trade” for the first time to put forward the concept of “digital services trade”, that is, cross-border trade in services in which information and communication technologies play an important role, including copyrights and royalties, financial and insurance services, communication services, and professional and technical services. The concept of “digital services trade” is the concept of cross-border trade in services in which ICT plays an important role, including copyright and license fees, communication services, professional and technical services, etc. According to Yusong Yue and Rou Li (2020), digital trade in services refers to the onlineization of cross-border trade in services, which is encompassed in both digital trade as well as trade in services. In the view of the Organization for Economic Cooperation and Development (OECD), digital trade in services refers to trade in cross-border transmission and delivery by means of information networks. Some studies have pointed out that digital trade in services can lead economic development and promote economic transformation (Lv Yanfang et al. , 2021), and it is an important way for countries to deeply integrate into economic globalization and achieve the upgrading of the global value chain (Zhu Fulin, 2021). Secondly, in terms of quantitative analysis, most of the studies on the economic effects of digital service trade focus on the national, industry and regional levels. For example, Ren Tonglian (2021) selected cross-country industry panel data to examine the promotion effect of digital services trade on the technological complexity of manufacturing exports; Han Jing et al. (2021) took the world's major economies as a research sample and found that digital

services trade promotes carbon emission reduction by exerting scale, structural, and technological effects .

2.2. Barriers to trade in digital services

Barriers in the area of trade in digital services have both similarities and differences with those in the area of traditional trade in services. The similarities are mainly reflected in the fact that most of the forms of barriers to trade in digital services are also manifested in the form of behind-the-border non-tariff barriers (NTBs), but the manifestations of NTBs to trade in digital services are more diversified and covert than those of traditional barriers to trade in services, and the main means of impediment in the barriers to trade in digital services (i. e. the digital trade in services) are more limited than those of traditional barriers to trade in services, due to the digitization of the trade medium and trade objects. At the same time, as both the medium and the object of trade of digital services trade incorporate digitization features, the main means of obstruction in digital services trade barriers are significantly different from those in traditional services trade barriers. Most of the studies on digital services barriers to trade focus on the impact of digital services barriers to trade on the quality of export products, such as Xu Shiteng (20) and Xu Shiyi (21).

For example, Xu Shiteng (2022) et al. empirically analyze the above issues by constructing a national-manufacturing industry-level digital services trade restrictiveness index, which finds that the increase in digital services trade barriers has a significant inhibiting effect on the upgrading of product quality in China's manufacturing exports, and that the increase in restrictive measures in the areas of facilities and connectivity, payment systems, and so on, has a significant negative effect on the quality of Chinese manufacturing exports. The negative effect of the increase in restrictive measures in the areas of facilities and connectivity, payment system, etc. is particularly significant. It has also been pointed out in the literature that barriers to trade in digital services inhibit the level of output servitization by inhibiting firms' R&D innovation, weakening the substitution effect of digital services on low-skilled labor factors, and increasing transaction costs (Zhou Nianli, Bao Ya, 2022)

2.3. About digital economy and business innovation

Digital service trade is a product of the deep intermingling of the digital economy and service trade, and belongs to an important part of the digital economy. Under the wave of global digitization, the innovation-driven role of the digital economy has become more and more prominent, and the impact effect and role mechanism of digital economy-related activities on innovation have become a research hotspot for scholars at home and abroad. At the regional level, Han Pioneer et al. (2019) showed that the Internet can positively affect regional innovation efficiency by accelerating human capital accumulation, financial development and industrial upgrading, and presenting the nonlinear characteristics of increasing “marginal effect”; Wu Win and Zhang Yi (2021) constructed a comprehensive index of digital economy development in prefecture-level cities, and found that the digital economy is conducive to alleviating financing constraints and improving the quality of life. They found that the digital economy is conducive to alleviating financing constraints and improving intellectual property protection, thus promoting regional innovation development. At the industry level, the existing literature mainly discusses that industrial digitization can improve the supply and use efficiency of R&D funds (Wang Guijun et al. and utilization efficiency (Wang Guijun et al. , 2022); the integration of AI and industry will reshape the technological innovation process and improve the level of human capital, with significant technological innovation effects (Zhang Longpeng and Zhang Shuangzhi, 2020). At the enterprise level, existing studies have pointed out that the Internet can reduce the cost of information exchange (Shen Guobing and Yuan Zhengyu, 2020), broaden the scope and channels of knowledge dissemination, and thus enhance the inherent advantages of enterprises in evolving “fragmented” knowledge and information into technological innovation.

The above literature provides some empirical references for us to study the relationship between barriers to trade in digital services and innovation of manufacturing enterprises. However, there are

still some shortcomings. First, firstly, the literature on trade in services focuses on the overall performance of the service sector, and most of the studies are based on early data, which cannot provide a strong explanation and effective guidance for the new problems faced by China in the context of the new era. Second, due to the availability of data and the difficulty of quantitative measurement of indicators, most of the current research on digital trade in services focuses on the theoretical level and the relative macro level of the country, industry, region, etc. , and is less concerned with its impact on the behavior of micro subjects, and there is little literature on the integration of digital trade barriers in services and enterprise innovation behavior into a unified analytical framework, and there is a lack of relevant mechanisms behind the impact of barriers to digital trade in services on enterprise innovation. There is a lack of relevant revelation of the mechanism behind the impact of digital service trade barriers on enterprise innovation. Finally, the existing literature focuses on the Internet, big data application, digital transformation, and the development of the Internet.

Finally, the existing literature focuses on the enabling and driving effect of digital economy forms such as Internet, big data application and digital transformation on innovation activities, while the intrinsic connection between new forms of digital trade in services and innovation spawned by the development of digital economy has not yet been fully explored.

3. Theoretical mechanisms and research hypotheses

International trade has long been regarded as an important factor affecting the technological innovation of enterprises. Whether in the framework of neoclassical trade theory, new trade theory or new new trade theory, trade is an important channel for realizing international technology diffusion and spillover, especially for developing countries and emerging economies, trade openness is an effective way for enterprises to learn and draw advanced technological resources, and to continuously improve the level of science and technology innovation. However, in recent years, digital services trade barriers have gradually deepened, the rise of anti-globalization trend, countries in cross-border data flow, information services on the restrictions are further deepened, China is also the same. The impact of digital services trade barriers on enterprise innovation can be analyzed from the following three aspects.

3.1. Digital services trade barriers are not conducive to enterprises' digital transformation.

The barriers to trade in digital services bring many unfavorable factors for enterprises to carry out digital transformation. On the one hand, digital service trade barriers restrict enterprises' access to advanced technology and knowledge. Digital transformation needs to rely on advanced technology and knowledge, while some countries have set restrictions on the flow of data and cross-border cooperation in digital services. This makes it difficult for enterprises to access more advanced technologies and knowledge in the international market, limiting their innovative capacity and competitiveness. On the other hand, barriers to trade in digital services increase the operating costs and trade friction for enterprises. In the era of digital economy, the operations and services of enterprises often involve cross-border data transmission and digital content exchange. Some countries and regions have set up strict regulatory and review mechanisms for cross-border data transmission and digital content flows for security and privacy reasons. This adds cumbersome compliance procedures and additional costs to enterprises, as well as increasing trade friction.

It also increases the risk of trade friction. Enterprises need to spend a lot of time and energy to deal with various regulations and approval procedures, and cannot focus on digital transformation and innovation.

3.2. Barriers to trade in digital services are not conducive to information sharing among enterprises

Digital services are the carrier and medium of information dissemination, and telecommunication infrastructure connectivity is an important support for the realization of information globalization; while bilateral restrictions on trade in digital services can hinder the exchange of information transmission and communication connectivity between countries, weakening the level of national informatization (Qi Junyan and Qiang Huajun, 2021). The barriers to trade in digital services are not conducive to the sharing and rapid dissemination of global information resources by enterprises and hinder the improvement of their information sharing level. For example, specific big data and information and communication services can reduce the cost of information exchange for internal communication in enterprises, strengthen the transmission and integration of information between employees in various departments, and improve the information connectivity of internal subjects in enterprises. Mobile Internet and digital platforms can facilitate information interaction between enterprises and external market participants, such as domestic and foreign suppliers, consumers, and other partners, and improve the efficiency of utilizing external information resources (Bajari et al. and improve the utilization efficiency of external information resources (Bajari et al, 2019; Qi Yudong and Xiao Xu, 2020). If the barriers to trade in digital services continue to deepen, it will not be conducive for firms to take advantage of this information gap.

According to the existing literature, innovation is a cutting-edge, exploratory research program, and it is difficult to obtain knowledge spillovers from external knowledge markets. This lack of information in “no man's land” restricts the development of enterprise innovation and becomes an important barrier to innovation. The lowering of trade barriers to digital services can enhance information exchange and data sharing within and outside the enterprise, and alleviate the lack of information that the enterprise originally faced. Therefore, the deepening of barriers to trade in digital services will undoubtedly be detrimental to enterprises' ability to fully utilize this advantage.

3.3. Barriers to trade in digital services are not conducive to enterprises' international innovation cooperation

For our country, the relative lack of innovation resources, insufficient innovation power has been the bottleneck of the constraints on the technological capacity of enterprises to rebuild, and international innovation cooperation can be in the original “technology follower” of the developing countries and emerging economies to bring new opportunities to become its access to foreign advanced scientific and technological resources, to accelerate the realization of the innovation to catch up with an important channel! (Li Mei and Yu Tianjiao, 2016). In this process, the generation and collision of global advanced innovation concepts and innovative thinking can effectively promote the flow of tacit knowledge among innovative subjects and the integration and reconstruction of various types of knowledge in different technological fields, so that enterprises can enjoy the benefits of innovation in a wider regional context. As a result, digital trade in services is a “bridge” for enterprises to access external resources and connect with their own technological innovation, and the promotion of enterprise innovation is no longer limited to the “technology spillover effect”, but also broadens the field and space for enterprises to participate in international innovation cooperation. On the other hand, barriers to trade in digital services limit enterprises' access to foreign innovation resources, and at the same time increase the risk of international innovation. They also increase the risks and costs of international innovation, which is not conducive to technological innovation.

4. Econometric Modeling Variable Measurement and Data Description

4.1. Model Setting

In order to test the impact of digital service trade barriers on corporate innovation, this paper sets the benchmark regression model as follows based on theoretical analysis and research hypotheses:

$$Innovation_{ijt} = \beta_0 + \beta_1 Dstri_{jt} + \beta_2 Controls_{it} + \mu_t + \gamma_i + \varepsilon_{ijt}$$

Innovation is the level of enterprise innovation, this paper adopts the enterprise all patent authorization to measure the level of enterprise technological innovation, the specific construction method for the enterprise all patent authorization number of logarithmic processing. *dstri* is the penetration degree of digital service trade barriers of manufacturing enterprises in different industries measured in this paper. Enterprise innovation may be affected by a variety of factors, the need to control some of the variables, the control variables in this paper specifically include: enterprise size (Size), using the logarithmic value of the enterprise's total assets to measure; the age of the enterprise (Age), using the year in which the enterprise is located minus the year in which the enterprise started, and logarithmic processing to measure. The intensity of R&D investment (Rdintensity), the utilization rate of total assets (ROA) of the enterprise.

4.2. Measurement of the penetration of barriers to trade in digital services

4.2.1. Measurement of the penetration of trade barriers in digital services by enterprises.

Due to the heterogeneity of enterprises in terms of the application of digital services, the nature of outputs, the quality of input factors and the industries in which they operate, there are also differences in the impact of digital services trade barriers on the choice of output servitization strategies by different enterprises. There are also differences in the impact of trade barriers to digital services, so we construct a firm-level measure of the penetration of trade barriers to digital services to more rigorously study the impact of trade barriers to digital services on firms' output servitization. We refer to Ferracane et al. (2020), Acemoglu and Restrepo (2020), and Wang, Yongqin, and Dong, Wen (2020), and construct an indicator of firm-level digital service trade barrier penetration using the following equation:

$$Dstri_{jt} = dstri_t \times \frac{ict_{jk}}{input_{jk}} \times \frac{cost_{ijkt}}{meancost_{jkt}}$$

j and *k* denote the province and industry where the firm is located, respectively, *dstri_t* is the OECD-published trade restriction index for digital services in China at time *t*, and $\frac{ict_{jk}}{input_{jk}}$ is the share of inputs of information transmission, software, and information technology services in province *j*, industry *k* in total inputs, which is derived from China's Provincial Input-Output Tables in 2017. $\frac{cost_{ijkt}}{meancost_{jkt}}$ is the ratio of the cost of intermediate inputs to the total cost of the firm *i* in the region *j* industry *k* at time *t*.

4.2.2. Measurement of intermediate input costs.

We refer to Levinsohn and Petrin (2003), Lu and Lian Yujun (2012) and other related literatures, and use the indicator of “cash paid for goods and services” to measure the cost of intermediate inputs based on the LP method of measuring intermediate inputs in the calculation of total factor productivity. *meancost_{jkt}* is the median of the cost ratio of intermediate inputs of manufacturing enterprises by province and by industry, based on the method of measuring intermediate inputs in the calculation of total factor productivity by LP method, using the indicator of “cash paid for purchasing goods and

receiving services” (Levinsohn and Petrin 2003; Lu and Lian Yujun 2012). Data are from the database of listed companies of Guotai Junan.

4.2.3. Data Source

The research sample of this paper is manufacturing enterprises of A-share in China during 2014-2019. Enterprise innovation data are from the Cathay Pacific database, Digital Services Trade Restriction Index (DSTRI) and Services Trade Restriction Index (STRI) are from the STRI database and DSTRI database published by OECD; input-output data are from China Input-Output Tables 2017. Control variables are from CSMAR database and Wind database.

Table 1. Description of variables and descriptive statistics

		(1)	(2)	(3)	(4)	(5)
Variables	Description of variables	N	mean	sd	min	max
Innovation	Firm innovation	9446	3.06	1.32	0.96	9.5
Dstri	penetration of barriers to trade in digital services	9446	0.255	0.0529	0.1840	0.3089
Age	firm age	9446	2.8345	0.2980	1.9345	3.8776
Size	firm size	9446	22.3304	1.2768	19.4588	26.3789
Rdinten	R&D investment intensity	9446	0.2490	0.0645	0.0215	0.3756
ROA	total asset utilization	9446	0.0432	0.0734	-0.4235	0.2352

5. Empirical results and analysis

5.1. Benchmark results regression

Table 2, column (1)(2) reports the regression results of the impact of barriers to trade in digital services on innovation in manufacturing firms. Column (1) controls for year and firm fixed effects, and the results show that the impact coefficient of the core explanatory variable *Dstri* is negative, indicating a negative impact relationship between digital services trade barriers and manufacturing firm innovation. However, the impact coefficient is not significant, which may be due to the following reasons: first, when conducting the measurement of the penetration of digital service trade barriers, only the input-output table of 2017 was used, and some of the data are incomplete, which may lead to the measurement error of the core explanatory variables, thus making the results not significant. Second, in the measurement of innovation indicators of manufacturing enterprises, the number of all patents authorized by the enterprise is selected and logarithmic, but these data are incomplete, and many enterprises may still have products that are applying for patents but are not counted, which leads to inaccuracies in the data. Third, in the process of data organization, there may be inaccurate data matching, which leads to the results are not significant; column (2) further added a series of control variables, the regression coefficient is still negative but not significant. The above results suggest that barriers to trade in digital services may inhibit innovation in manufacturing firms to a certain extent, but whether it has a significant effect cannot be confirmed.

Table 2. Benchmark regression results

Variables	(1) Innovation	(2) Innovation
<i>Dstri</i>	-0.1322	-0.1230
Age		0.4537***
Size		0.5625***
<i>Rdintensity</i>	9446	8.3439***
ROA		0.1870
time fixed effects	yes	yes
firm fixed effects	yes	yes
observations	9446	9446
R ²	0.13	0.12

5.2. Robustness test

Replacement of explanatory variables: the ratio of new product revenue to total operating revenue of manufacturing enterprises is used as a measure of enterprise innovation capability.

Table 3. Robustness test

Variables	(1) Innovation
Dstri	-0.1322
Control variables	
time fixed effects	Yes
firm fixed effects	Yes
observations	9446
R ²	0.09

5.3. Heterogeneity test

Considering that the form of enterprise ownership is an important factor affecting the innovation mode and R&D capability of enterprises, this paper includes the cross-multiplier term of the dummy variable of the penetration of barriers to trade in digital services and state-owned enterprises in the benchmark regression model. The results in Table 4 No. show that none of the regression coefficients of Dstri-SOE are significant, which means that there is no significant difference in the inhibiting effect of digital services trade on innovation of state-barrier-owned and non-state-owned enterprises. Because both SOEs and foreign and private firms participate in international innovation in roughly the same way, there is no significant difference in the extent of the impact.

Table 4. Heterogeneity test

Variables	Innovation
Dstri	-0.1230
Dstri SOE	-0.0876
Control variables	Yes
time fixed effects	Yes
firm fixed effects	Yes
observations	9446
R ²	0.13

6. Conclusion and Policy Recommendations

This paper innovatively measures the penetration of digital service trade barriers in various industries in China, and conducts a comprehensive and systematic test of the micro-path of digital service trade barriers affecting corporate innovation based on the data of A-share listed manufacturing firms during the period of 2014-2019, and the main conclusions are as follows:

Firstly, overall, digital service trade barriers are not conducive to the promotion of corporate innovation level. First, in general, digital service trade barriers are not conducive to promoting the level of enterprise innovation.

Second, in terms of the impact mechanism, digital service trade barriers inhibit enterprises from innovating by hindering their digital transformation, reducing the level of enterprise information sharing and unfavorable to their international innovation cooperation. In terms of heterogeneity, the

impact of digital service trade barriers on enterprise innovation is not significantly heterogeneous depending on the nature of enterprises. The findings of this paper not only provide certain ideas on how enterprises can solve the difficult problem of innovation, but also provide new practical support and development ideas for the country to grasp the new opportunities of digital services trade change and give full play to the “synergy effect” of the strategy of opening up to the outside world at a higher level and innovation-driven development, with the following policy implications:

First, reduce barriers to trade in digital services and continue to promote the high-quality development of trade in digital services. The opening up of trade in digital services can stimulate the potential of scientific and technological innovation and release the vitality of high-quality development. However, there are still high barriers to trade in digital services in China, hindering the development of “cross-border trade” in digital services. Under the premise of ensuring national information security and personal privacy, market access and related restrictive measures for digital services can be relaxed in an orderly manner in accordance with the principle of “combining the expansion of openness with moderate protection”. At the same time, it will actively explore new paths for systematic liberalization and innovative development of trade in digital services. This means that while opening up trade in digital services, it is necessary to establish adaptive systems and policies to ensure national information security, personal privacy and the sustainable development of the digital economy.

In line with the trend of the development of digital trade in services, we should accelerate the digital transformation of enterprises, strengthen information connectivity and promote international innovation and cooperation. First, increase support for the digital transformation of enterprises, promote the application of digital technologies and services such as big data, cloud computing and the Internet of Things, and provide better support and empowerment for enterprises to make breakthroughs in core technologies in areas such as high-end chips, intelligent sensing and key basic software. Secondly, we will promote the construction of information infrastructure, give full play to the role of data operation hub platforms and information resource sharing platforms, and open up “digital barriers” and “information islands” among enterprises, so as to create a favorable environment for enterprises in science and technology innovation. Finally, we will grasp the opportunity of opening up the digital service trade, deepen international cooperation in the field of digital economy and trade, accelerate the construction of international cooperation mechanism for digital trade, build an international platform for scientific and technological innovation cooperation, and actively integrate into the global economy and trade.

Thirdly, focus on adjusting and improving policy orientation, and adopt progressive strategies for the development of digital trade in services by industry, enterprise and region. First, formulate strategies for the development of digital trade in services at different levels according to the characteristics and development needs of industries. In capital- and technology-intensive industries such as machinery manufacturing, computer and electronic equipment manufacturing, the government can pay more attention to institutional openness such as rules and regulations of digital services trade, further strengthen innovation drive, and cultivate and develop industrial advantages. Second, local governments can implement differentiated policies and development plans for the liberalization of trade in digital services in accordance with regional institutional environments and the degree of competition in the industry. This means that different regions can formulate policies on trade in digital services that are suitable for their regions and promote the development of trade in digital services according to their specific conditions and needs. Local governments can actively participate in rule-making and international exchanges on trade in digital services so as to provide local enterprises with more opportunities to trade in digital services.

Local governments can actively participate in the formulation of rules and international exchanges on digital services trade, so as to provide a better development environment and support for local enterprises.

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