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Digital China The Strategy and Its Geopolitical Implications

BY DAVID DORMAN & JOHN HEMMINGS





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Digital China shows us that China's geopolitical ambitions go beyond becoming the unrivalled power in the Indo-Pacific. Under Xi, the PRC is building a domestic digital universe that, over time, will parallel its global economic, diplomatic, and military expansion.

Anchored in Marxist ideology, Xi's digital universe is expeditionary by nature. For those of us who want to remain unterhered from the PRC surveillance state, Digital China is essential reading. Our digital sovereignty depends on it.

Andrew Hastie, Shadow Minister for Defence, Australia

When it comes to the Chinese Communist Party's digital strategy, Las Vegas rules do not apply – what happens in China will not stay in China. As Digital China demonstrates, the CCP aims to make its techno-totalitarian values the bedrock of the global digital future. David and John's report is essential reading that should galvanize action across the free world.

Rep. Michael Gallagher, Chairman, House Armed Services Subcommittee, Cyber, Information Technologies, and Innovation

As Dr. Hemmings and I wrote in our 2019 paper 'Defending our Data', the debate about Huawei and 5G is ultimately a debate about China and technology. It is less a discussion of cyber security, but more about China's future intentions on the global order. It is properly understood, a debate on how different political systems apply technology to governance. In Digital China, Dorman and Hemmings have found a critical element in understanding China's global intentions and the role that Marxism plays in that.

Bob Seely, MP, Member, Foreign Affairs Committee, UK Parliament

Executive Summary

David Dorman and John Hemmings

As the world was distracted by the long, drawn out economic and social disruptions caused by the coronavirus, Beijing seized the "opportunity" offered by the crisis to accelerate its national digital strategy, titled unassumingly "Digital China." With a decades-long personal tie to General Secretary Xi Jinping, the strategy is designed to lift China's core competitiveness and societal efficiency through comprehensive digital transformation at the national level. Mostly unknown in the West, Digital China has profound implications for China's developmental path, great power competition, and for the norms that will undergird the international system for decades to come.

Beijing hopes to leverage a latecomer's advantage to win what it sees as the new focal point of great power competition in the digital age: the race to design and build the world's first nationally integrated system of rules, institutions, and technology to comprehensively manage big data and its intelligent application. This expresses itself in the Digital China strategy's intense focus on the governance and control of data, a process Beijing calls the "new stage" in national informatization. Equally important, the Communist Party also now considers the "control of data" to be essential to its own survival, on par with the control of media, the military, and personnel.

Rooted in Marxist theory, the Digital China strategy is both deeply transformative and deeply competitive. In effect, it is the world's first digital grand strategy. Internally, the party's deft control of data will create the world's first "Smart Society," demonstrating to China's citizens and the world that capitalism has nothing to offer over socialism. Externally, a successful Digital China strategy will usher in an era of Chinese innovation that brings with it great power status across multiple strategic domains, civilian and military. Although a self-described monumental task, party leaders believe that Digital China is the strategy that will enable China to win the digital age.

Introduction

How Xi Jinping Engineered the World's First Digital Grand Strategy, Transformed China's Path to National Rejuvenation, and Redefined the Future of Great Power Competition

"We must...give full play to the driving and leading role of informatization and digitalization in Chinese-Style Modernization; [and] continuously advance the construction of a Cyber Great Power and a Digital China; [all] to provide strong support for the ... comprehensive advancement of the Great Rejuvenation of the Chinese Nation."¹⁵

> Cao Shumin Deputy Director, Office of the Central Cyberspace Affairs Commission Jan. 26, 2023

ver the past decade, China has been immersed in a comprehensive digital strategy of grand proportions, a strategy known by the Chinese Communist Party term-of-art¹ "Build Digital China" (建设数字中国) or most often just called "Digital China" (数字中国).² While sounding much like a commercial or industrial strategy, Digital China is not described as such internally.³In broadest terms, it is a major strategic decision made by Xi Jinping in the aftermath of the 18th Party Congress in 2012 to digitally transform the nation.⁴ For the more technically minded, it is the "overall strategy for national informatized development in the new era."5 For Marxist theorists, it is "General Secretary Xi Jinping's answer to this era's question on how to further liberate the development of the forces of production with innovation in science and technology as the core."6

As a concept personally tied to Xi, one might also argue that not only has he made Digital China a key to national success, but that Digital China has also contributed to Xi's individual success, as the concept has tracked his rise for more than two decades.⁷ Xi first adopted the precursor concept of "Digital Fujian" from a local academic while serving as deputy party secretary and governor of that province in 2000. This campaign differed from Digital China in that it was conceived as a simple effort to use new and emerging digital technologies to improve local governance and economic performance – in essence, China's first experiments in e-government. However, over the next twenty years Digital Fujian would evolve and expand to finally reemerge as the party's vision for a

'Digital China'" ("数字中国"建设的意义与要点分析), People's Tribune Online (人民论坛网), April 1, 2022, <u>https://theory.gmw.cn/2022-</u>

¹ For the purposes of this paper, "term-of-art" is reserved for specialized party language formulations that fall within the Party's Digital China schema and have been tagged as new "tifa" (提法) in PRC state-run media. The high-profile tifa, "Accelerate Digitalized Development and Build Digital China" (加快数字化发展 建设数字中国) has appeared in central documents including the 14th Five-Year Plan and it is referenced regularly in state-run media. The two components of this tifa, "Accelerate Digitalized Development" and "Build Digital China," are also addressed individually by media and party commentators, see for instance, Ma Xingrui (马兴瑞) "Accelerate Digitalized Development" (加快数字化发展), *Seeking Truth* (求是), Jan. 25, 2021, <u>https://theory.gmw.cn/2021-01/25/content_34569312.htm</u> (accessed July 01, 2022).

² Online PRC encyclopedias describe other Chinese uses of the term Digital China, unofficial and official, going back to the late 1990s, all unrelated to the post-2012 CCP capture of the term. Among the most prominent early uses of the term was the opening of the "new era of digital China" with the launch of the China-Brazil Earth Resources Satellite (CBERS-1) in October 1999 and the first transmission of Chinese CCD and infrared imagery. ³ See for instance, "Explainer: Build "Digital China" – General Secretary Xi Jinping Described Its Layout Like This" (图解:建设"数字中国" 习近平总书 记这样布局), *Chinese Communist Party News* (中国共产党新闻网), Oct. 13, 2020, http://cpc.people.com.cn/n1/2020/1013/c164113-31890179.html (accessed July 01, 2022).

⁴ "重大战略决策." See for instance, Ma Xingrui's commentary in Seeking Truth on Jan. 25, 2021, written when Ma was serving as governor of Guangdong province. Ma Xingrui (马兴瑞) "Accelerate Digitalized Development" (加快数字化发展), Seeking Truth (求是), Jan. 25, 2021.
⁵ "新时代国家信息化发展的总体战略." "Cyberspace Administration of China Publishes 2020 Digital China Development Report" (国家互联网信息 办公室发布《数字中国发展报告 (2020 年)》), Cyberspace Administration of China (国家互联网信息办公室), July 2, 2021,

http://www.cac.gov.cn/2021-06/28/c_1626464503226700.htm (accessed July 10, 2022).

 [&]quot;建设"数字中国"就是习近平总书记对于如何进一步解放以科技创新为核心的生产力的发展这一问题的时代答案." Jiang Xiaoli & Liu Zhaokun (蒋晓丽 & 刘肇坤), "Analysis of the Significance and Key Points of Constructing

<u>04/01/content_35629141.htm</u> (accessed Nov. 15, 2022).

⁷ See for instance, "When it comes to building "Digital China," Xi Jinping knows it by heart." (建设"数字中国," 习近平早已心中有"数"), *China Central Television News* (央视新闻), April 21, 2018,

<u>https://www.chinanews.com.cn/m/gn/2018/04-21/8496778.shtml</u> (accessed Aug. 26, 2022). Note also, a clever turn of the Chinese phrase "心中有数" by China Central Television editors.

fully informatized Digital China: "a sharp weapon that empowers the nation" (i.e., increased core competitiveness through accelerated innovation in science and technology) and "a spring rain that benefits the people" (i.e., increased societal efficiency and social equity through digital transformation).⁸

Far more than a commercial or industrial strategy, Digital China is an all-of-nation effort to digitally transform China's path to national rejuvenation as a "Modernized Socialist Great Power." The Digital China strategy is rooted in Marxism, the theoretical framework that justifies one of its greatest internal successes to date: "combining" Xi Jinping's personal visions for "national informatization" and for "socialist modernization." The significance of this synthesis cannot be overstated. Xi has seized the coming of the digital age to engineer a masterful and perhaps final answer to Mao Zedong's 1938 call for the "Sinicization of Marxism." This move is designed to bolster Xi's carefully crafted image as an elite Marxist theoretician for the digital age while it also cements his control over nearly every aspect of the nation's social and economic development. Inside Xi's Digital China, socialist modernization and national informatization are nearly indistinguishable.

Stated differently, if you are a studied member of the Chinese Communist Party, you understand that the current global competition over technology is

fundamentally about ideology, specifically helping to lift Xi's vision for socialist modernization, now labelled "Chinese-Style Modernization,"9 as a global alternative to capitalism. You also understand that the technology holding Xi's two visions, informatization and modernization, together is the intelligent application of data, or alternatively, "data intelligence"(数据智能).¹⁰ As the key strategic resource of the digital age, Beijing's success in developing this resource is seen as dependent on the comprehensive integration of big data, computing power, and artificial intelligence (through algorithms and application software) as well as constructing the digital infrastructure and governance systems needed to manage it. 11 This key state-level requirement for digital infrastructure drives Beijing's "New Type Infrastructure (新型基础设施)" campaign,¹² the focus of part two in this series of four papers. The key state-level requirement for governance systems falls to the party's "Cyber Great Power" strategy and will be briefly touched on later in this paper.

In Beijing's view, although the global competition over technology is fundamentally about ideology, in concrete terms the competition itself will be increasingly focused on big data. As the newest and most important "factor of production" in the digital age,¹³ data is comprehensively reconstructing global

⁸ "强国的利器,也是惠民的春雨." See, "What is Digital China? How do we Build Digital China? Please See This Analysis by Reporters from People's Post and Telecommunications News," (什么是数字中国?如何建设数字中国? 请看人邮记者解析), People's Post and Telecommunications News (人民邮

电报), April 16, 2018,

<u>https://tech.cnr.cn/techgd/20180416/t20180416_524200301.shtml</u> (accessed July 5, 2022).

⁹ "Chinese-style modernisation is a socialist modernisation led by the Communist Party of China, a modernisation with Chinese characteristics and in line with China's reality, and a bright road to the great rejuvenation of the Chinese nation." Manoj Kewalramani, "Han Zheng on Chinese-style Modernisation," *Tracking People's Daily*, Oct, 22, 2022,

https://trackingpeoplesdaily.substack.com/p/china-vietnam-ties-blinkenwang-call (accessed Feb. 8, 2023).

¹⁰ The PRC technology company Baidu claims to have originated the term "data intelligence." According to the company, on April 4, 2014, Baidu Senior Vice President Wang Jin announced the launch of a "big data engine" at Baidu's 4th "Technology Open House," thus first creating the concept of "data intelligence." As defined by Baidu, data intelligence refers to the processing, analysis, and mining of massive amounts of data based on big data engines and technologies such as large-scale machine learning and deep learning, and the extraction of valuable information and knowledge contained in the data, making the data "intelligent." See, Baidu encyclopedia entry for Data Intelligence, <u>https://baike.baidu.com/item/数据</u> 智能/6657122 (accessed Feb. 8, 2023).

¹¹ David Dorman, "How China Will Dominate the Global Competition Over Data," *The National Interest*, Apr. 28, 2022,

https://nationalinterest.org/blog/techland-when-great-power-competitionmeets-digital-world/how-china-will-dominate-global (accessed Feb. 8, 2022).

¹² For a brief introduction to New Type Infrastructure, see David Dorman, "Most Americans Have Never Heard of New Type Infrastructure. Even Xi Jinping would find that odd," *Digital China Wins the Future*, May 13, 2022, <u>https://digitalchinawinsthefuture.com/2022/05/13/most-americans-have-never-heard-of-new-type-infrastructure-even-xi-jinping-would-find-thatodd/</u> (accessed Oct. 01, 2022).

¹³ Xi Jinping first raised constructing a digital economy with data as the key "factor of production" at a Politburo Study Session in December 2017, a seminal event in the revision of Marxist theory for the digital age. Although mostly overlooked by Western media at the time, several analysts were quick to detect and report the importance of the event, see for instance, Leon Clarke, "Data; The 5th factor of production," Linked-in, December 15, 2020, <u>https://www.linkedin.com/pulse/data-5th-factorproduction-leon-clarke-2e</u> (accessed Feb. 8, 2023); Lindsay Gorman, "China's Data Ambitions: Strategy, Emerging Technologies, and Implications for Democracies," The National Bureau of Asian Research, Aug. 14, 2021, <u>https://www.nbr.org/publication/chinas-data-ambitionsstrategy-emerging-technologies-and-implications-for-democracies/</u> (accessed Feb. 8, 2023); Camille Boullenois, "China's Data Strategy: Creating a State-Led Market," European Union Institute for Security Studies, Oct. 6, 2021,

https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief 21 2021.pdf (accessed Feb. 8, 2023); Lillian Li, "Abridged: Data as a factor of production," *Chinese Characteristics*, Nov. 4, 2021,

https://lillianli.substack.com/p/abridged-data-as-a-factor-of-production (accessed Feb. 8, 2023); David Dorman, "China's Plan for Digital Dominance," *War on the Rocks*, Mar. 28, 2022; Emily de La Buryere, Doug Strub, Jonathan Marek, eds., China's Digital Ambitions: A Global Strategy to Supplant the Liberal Order, The National Bureau of Asian Research, March 1, 2022, <u>https://www.nbr.org/publication/chinas-digital-ambitionsa-global-strategy-to-supplant-the-liberal-order/</u> (accessed Sept. 7, 2022); Rebecca Arcesati, "China activates data in the national interest," MERICS,

production, distribution, and consumption and "becoming the high ground in the competition between major countries" (成为大国间竞相争夺的制 高点)."14 Data has become so critical to the party's forward thinking on socialist modernization that the theoretical construct for technology-driven modernization has been revised, for both the civilian and military spheres. Once described only in terms of "informatization" (applying information technology), a new and perhaps more critical lane has now been added: "digitalization" (applying value to data) (see Figure 1). As aptly described by Cao Shumin, deputy director of the Office of the Central Cyberspace Affairs Commission, "We must ... give full play to the driving and leading role of informatization and digitalization in Chinese-Style Modernization."15

In the party's view, the West focuses haphazardly on the competition over individual digital technologies. Beijing focuses long term on the competition over big data, and developing the complex digital ecosystems that will enable its intelligent application. The toplevel designs could not be perceived more differently. As we've argued before, "The United States and its allies should also begin to understand how these technologies intersect with each other in the various bundles developed by China and how they will impact global governance and order. Given the growing momentum inside China-the driving tempo of New Type Infrastructure-and the increased prioritization of political attention, increased resourcing, and strategic planning, it will be vital to understand Beijing's wider strategy and assess its efforts."¹⁶We hope this paper will go some way to illuminating the profound impact this littleknown strategy has had and will have on China's development and relationships around the world.



Figure 1: Unpacking Communist Party Terminology: Informatization and Digitalization.

This list and others that follow represent a best effort to find the current center of gravity for the party's specialized use of digital terminology used in this paper. This digital terminology, like Digital China strategy itself, has been in evolution for the last decade leading to a considerable degree of inconsistency, including efforts to make earlier language like "informatization" fit new circumstances. Also, the need to understand some terms by context (i.e., "digitalization") or their often-stronger political connotation (i.e., "digitalized"), and inconsistent efforts by PRC think tanks and advisory firms to define these terms for the public, add to the confusion, both inside and outside China.

Computing": Attention Should Be Paid to the Construction of an Ultra

Large Scale Data Element Market ("东数西算":需关注超大规模数据要素市场构建), People's Posts and Telecommunications News (人民邮电报), Apr.

则构建), reopie's Posts and Telecommunications News (人民即电报), Apr. 1, 2022,

¹⁵ "我们要全面贯彻落实党的二十大精神,充分发挥信息化数字化对中国式现 代化的驱动引领作用,不断推动网络强国、数字中国建设,把握新机遇、塑造 新优势、实现新发展,为全面建设社会主义现代化国家、全面推进中华民族伟 大复兴提供有力支撑." Cao Shumin (曹淑敏), "Driving and Leading

Chinese-Style Modernization with Informatization and Digitalization"(以信息化数字化驱动引领中国式现代化), *Red Flag Manuscript* (红旗文稿), Jan. 26, 2023, <u>https://theory.gmw.cn/2023-01/26/content_36321808.htm</u> (accessed Feb. 8, 2023).

¹⁶ David Dorman and John Hemmings, "China's Digital Challenge: Hidden in Plain Sight, Bigger Than You Thought, and Much Harder to Solve," CSIS, May 11, 2022, <u>https://www.csis.org/analysis/chinas-digital-challengehidden-plain-sight-bigger-you-thought-and-much-harder-solve</u> (accessed Feb. 8, 2023).

Jul. 04, 2022, <u>https://merics.org/en/short-analysis/china-activates-data-national-interest</u> (accessed Feb. 8, 2023); and Qiheng Chen, "China Wants to Put Data to Work as an Economic Resource—But How," *DigiChina,* February 9, 2022, <u>https://digichina.stanford.edu/work/china-wants-to-put-data-to-work-as-an-economic-resource-but-how/</u> (accessed Feb. 8, 2023). ¹⁴ See for instance, Gu Tianan (顾天安), "Eastern Data, Western

https://www.xinhuanet.com/techpro/20220401/0aed9f190b66433b9cb3c41c9 607b0e6/c.html (accessed February 20, 2023). At the time of publication, Gu was dual hatted at the State Council's Development Research Center as both the director of the Eastern Culture and Urban Development Institute's Big Data Research Office, and as an assistant researcher in the Institute of Public Administration and Human Resources.

How China Intends to Win the Future¹⁷

"Whoever can better recognize and seize the general trend of digitalization, and better adapt to and lead the developmental direction of new forces of production, will be able to win the new omnidirectional competition for comprehensive national power."²²

"Digital China Wins the Future" Outlook Weekly Magazine, "Authoritative" Governance Events Column Feb. 21, 2022

Digital China is, in fact, about winning. Winning the digital age. Not surprising, other countries are trying to win it too. But Xi Jinping says Chinese-Style Modernization, which rides in part on the digitalized transformation of socialist modernization, gives China the edge both domestically (by improving societal efficiency and social equity) and globally (by offering a superior alternative to capitalism). As both ends, domestic and global, hold the promise of raising living standards to a higher level, they form the bedrock of both an internal and external propaganda narrative that is today quite prominent.¹⁸

But "winning" is not definitive. Nor can we say with precision what "winning" would look like. The nation must rally behind the Marxist vision of a digital future designed by the party. And the party has set high goals for this vision worthy of a "great power." One of these is to overcome what Beijing

建设发展报告(2017年)》), Cyberspace Administration of China (国家互联网信息办公室), May 9, 2018, <u>http://www.cac.gov.cn/2018-</u>

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perceives as a hegemonic system of global rules and institutions that are anchored to a previous age. The digital age has opened a door to revise those rules and Digital China seeks to pass through the doorway first. That said, we really don't know how deep or wide a change Beijing sees as necessary. And at this point, it's likely Beijing is "crossing the river by feeling the stones." If that's true, and we think it is, how the U.S. and its allies and partners respond to Beijing's attempt to "win" makes a difference.

The title of this chapter, "How China Intends to Win the Future," is drawn from the opening section of the Cyberspace Administration of China's 2017 "Digital China Development Report,"¹⁹ but the phrase itself found its origins in the 2016 "Outline of the National Informatization Development Strategy,"²⁰ which found its origins in a 2013 speech by Xi Jinping.²¹ Since 2016, the phrase (as it relates to Digital China) has continued to repeat itself in state documents, party commentary, and state-run media including as recently as February 21, 2022 when it served as the cover story, "Digital China Wins the Future," for Xinhua's *Outlook Weekly* magazine.²²

All of this reflects that "Winning the Future" is an idiomatic phrase that appears widely in China, both in speaking and writing. Alastair Iain Johnston published an excellent contextual analysis of the phrase's use in official PRC writing and statements.²³ When it comes to Digital China, the context is informatization. As the "2016 Outline of the National Informatization Development Strategy," issued jointly by the Central Committee and State Council, stated:

¹⁷ This section is adapted from an earlier commentary on Digital China published on *Digital China Wins the Future*. See, David Dorman, "Digital China is, in fact, about winning," *Digital China Wins the Future*, Jan. 30, 2023, <u>https://digitalchinawinsthefuture.com/2023/01/30/digital-china-is-in-fact-about-winning/</u> (accessed Feb. 8, 2023).

¹⁸ Daniel Mattingly, et al, "Chinese State Media Persuades a Global Audience That the "China Model" is Superior: Evidence from A 19-Country Experiment," OSF Preprints, Aug. 25, 2022, <u>https://osf.io/5cafd/</u> (accessed Feb. 8, 2023).

¹⁹ "Cyberspace Administration of China Publishes the 2017 Digital China Construction Development Report" (国家互联网信息办公室发布《数字中国

<u>05/09/c 1122794507.htm</u> (accessed Sept. 14, 2022).

²⁰ For an English-language translation of the 2016 outline see, "Outline of the National Informatization Development Strategy," *China Copyright and Media*, July 27, 2016,

https://chinacopyrightandmedia.wordpress.com/2016/07/27/outline-of-thenational-informatization-development-strategy/ (accessed Sept. 14, 2022).

²¹ Tanner Greer, "Xi Jinping in Translation: China's Guiding Ideology," *Palladium*, May 31, 2019, <u>https://www.palladiummag.com/2019/05/31/xi-jinping-in-translation-chinas-guiding-ideology/</u> (accessed Feb. 8, 2023).
²² "谁能更好认识和把握数字化大势,更好适应和引领新生产力发展方向,谁就能赢得新的全方位综合国力竞争." See, "Digital China Wins the Future"

⁽数字中国赢在未来), *Outlook Weekly* (瞭望), Governance Events (治国理政纪事), Issue 2022-08 (2022 年第 8 期), Feb. 21, 2022,

<u>http://www.news.cn/politics/2022-02/19/c_1128394184.htm</u> (accessed July 10, 2022). *Outlook Weekly* editors self-describe the Governance Events column as authoritative (权威栏目). Several years earlier, the cover story for the May 2018 issue of the Cyberspace Administration of China

magazine New Media (网络传播) chose a similar but less victorious title, "Digital China Guides the Future" (数字中国 智引未来). See,

http://www.cac.gov.cn/wxb_pdf/0730009.pdf (accessed July 20, 2022). ²³ Alastair Iain Johnston, "Translation Matters: Problems of Inference in the 2020 State Department Policy Planning Report "The Elements of the China Challenge," CSIS Interpret: China, Jan. 31, 2022,

https://interpret.csis.org/translation-matters-problems-of-inference-in-the-2020-state-department-policy-planning-report-the-elements-of-the-chinachallenge/ (accessed Feb. 8, 2023).

"With further developments in world multipolarization, economic globalization, cultural diversification, and social informatization; and profound change in the global governance system; whoever occupies the high ground of informatization will be able to seize the first opportunity, win the advantage, win security, and win the future."²⁰

随着世界多极化,经济全球化,文化多样化,社 会信息化深入发展,全球治理体系深刻变革,谁 在信息化上占据制高点,谁就能够掌握先机,赢 得优势,赢得安全,赢得未来。

Mixed slightly differently with added Xi Jinping metaphors, the Cyberspace Administration of China's "2017 Digital China Development Report" stated:

"In today's world, innovation in information technology changes with every passing day. Whoever occupies the high ground of informatization will be able to seize the first opportunity, win the advantage, win security, and win the future. Without informatization there is no modernization."¹⁹ 当今世界,信息技术创新日新月异,谁在信息化 上占据制高点,谁就能够掌握先机,赢得优势、 赢得安全,赢得未来。没有信息化就没有现代化。

Digging even deeper, "winning the future" points to the central role that Digital China (as the overall strategy for informatized development) is expected to play in the Marxist reconstruction of the "forces of production" (combined human productive powers), updating an idea central to historical materialism and tagging a new source for revolutionary change to the current stage of human development, a topic that will be covered in depth in part three of this series. The new Marxist theorem is attributed to Xi Jinping himself. Importantly, the theorem drives party policy on economic and social development, and it is predictive.

For instance, the self-described authoritative "Governance Events" column in Xinhua's *Outlook Weekly* magazine on February 21, 2022, cleanly summarized the new Chinese-style Marxist thinking on historical materialism:

"Whoever can better recognize and seize the general trend of digitalization, and better adapt to and lead the developmental direction of new forces of production, will be able to win the new omnidirectional competition for comprehensive national power."²¹

谁能更好认识和把握数字化大势,更好适应和引领新生产力发展方向,谁就能赢得新的全方位综合国力竞争。

In short, "Wins the Future" is an idiom "with context," but it is also not simply a slogan. Digital China has been tagged as one of the party's key strategic initiatives since 2012, and a key national-level strategy since 2017. Perhaps most important, few policies are tied so directly to Xi himself. The strategy has been under development for nearly a quarter century and has been under execution for more than a decade. Somehow, we missed Digital China and Xi's digital vision for the future. We shouldn't have.

We need to better understand the Digital China strategy, its goals, its successes and challenges, and the theory and narratives driving it. A betterinformed understanding will save us time and dispel misunderstanding across and within borders. Most important, it will also move us closer to a focused, unified, and one hopes, effective response to the real digital challenges we face.

Deconstructing Digital China by History, Framework, and Theory

"Our country...has firmly grasped the historical opportunity of the information revolution and made Build Digital China the overall strategy for national informatized development in the new era...providing a powerful digital impetus in the march to the Second Centenary Goal."²⁴

> Digital China Development Report 2020 Cyberspace Administration of China ______July 2, 2021

While there is an extensive literature in the West examining the role of technology in supporting China's domestic and global ambitions,²⁵ as well as its national level strategies for individual digital domains (like cyber), ²⁶ or individual digital technologies (like big data),²⁷ we put forward three new arguments in this paper that we believe may shape the debate on China's digital policies. The first of these arguments is that there is an overall strategic approach to achieve the digital transformation of Chinese society in support of the Communist Party's wider developmental, ideological, and international

goals: Digital China. Standing in direct support of the party's grand strategic objective of national rejuvenation, we argue that Digital China both meets the general definition of a grand strategy and stands as the world's first digital grand strategy.

While other PRC national level digital strategies may have emerged first or are better known in the West (including both Cyber Great Power Strategy and National Big Data Strategy), we will show how Digital China has incrementally evolved to become the party's "overall" digital strategy, developing a party-defined structure that is grand in both vision and scope. In Part One of this four-part series on China's digital grand strategy, titled "A New Digital Triad Forms: Cyber Great Power, Digital China, and Smart Society," we explore the two-decade history of Digital China, its strategic goals as they have evolved, and its relationship to other key national-level strategies.²⁸ This approach offers our readers not just insights on Digital China but also more broadly on the party's evolutionary approach to strategy development itself.

Our second argument is that the structure and intent of Digital China can be outlined and described using the familiar "ends, ways, and means" nomenclature from Western strategy construction,²⁹ a framework also familiar to Chinese scholars who study grand

²⁴ "我国 ... 紧紧抓住信息革命的历史机遇, 将建设数字中国作为新时代国家信息化发展的总体战略 ... 向第二个百年奋斗目标进军提供强大数字动力." See,

²⁶Cyberspace Administration of China Publishes 2020 Digital China Development Report," Cyberspace Administration of China, July 2, 2021. ²⁵ See for instance, Josh Chin and Liza Lin, *Surveillance State: Inside China's Quest to Launch a New Era of Social Control* (New York: St. Martin's Press, 2022); Emily de La Buryere, Doug Strub, Jonathan Marek, eds., "China's Digital Ambitions: A Global Strategy to Supplant the Liberal Order," *The National Bureau of Asian Research*, March 1, 2022; Rush Doshi, *The Long Game: China's Grand Strategy to Displace the American Order* (New York: Oxford University Press, 2021); Jonathan E. Hillman, "Techno-Authoritarianism: Platform for Repression in China and Abroad," Statement before the Congressional-Executive Commission on China, Nov. 17, 2021, <u>https://www.cecc.gov/events/hearings/techno-authoritarianismplatform-for-repression-in-china-and-abroad</u> (accessed Sept. 7, 2022); and Emily de La Buryere, et al, Navigating China's Growing Digital Influence, *Asia Policy*, No 16, Vol 2 (April 2021),

https://www.nbr.org/publication/chinas-growing-influence-over-the-rulesof-the-digital-road/ (accessed Sept. 7, 2022).

²⁶ There are many excellent analyses of Beijing's view of the cyber domain and the party's Cyber Great Power Strategy, see for instance, "The CMP Dictionary: Strong Cyber Power 网络强国," China Media Project, May 6, 2021, <u>https://chinamediaproject.org/the_ccp_dictionary/strong-cyberpower/</u> (accessed Sept. 12, 2022); Emily de La Bruyere, "The Network Great-Power Strategy: A Blueprint for China's Digital Ambitions" in *Asia Policy*, No. 16, Vol 2 (April 2021), <u>https://www.nbr.org/publication/chinasgrowing-influence-over-the-rules-of-the-digital-road/</u> (accessed Sept. 7, 2022); Rush Doshi, et al, China as a "Cyber Great Power" Beijing's Two Voices in Telecommunications, Brookings, April 5, 2021, <u>https://www.brookings.edu/wp-</u>

content/uploads/2021/04/FP 20210405 china_cyber_power.pdf (accessed

Sept. 12, 2022); Rogier Creemers, et al, "Lexicon: 网络强国 Wangluo Qiangguo," New America, May 31, 2018,

https://www.newamerica.org/cybersecurity-

initiative/digichina/blog/lexicon-wangluo-qiangguo/ (accessed Sept. 12, 2022); Elsa B. Kania, Samm Sacks, Paul Triolo, and Graham Webster, "China's Strategic Thinking on Building Power in Cyberspace: A Top Party Journal's Timely Explanation Translated," New America, Sept. 25, 2017, https://na-production.s3.amazonaws.com/documents/20170925-QiushiXiJinpingChinaCyberSuperpower.pdf (accessed Sept. 7, 2022). ²⁷ There are many excellent analyses of China's view of big data and the party's National Big Data Strategy, see for instance, Lindsay Gorman, "China's Big Data Ambitions: Strategy, Emerging Technologies, and Implications for Democracies", The National Bureau of Asian Research, Aug. 14, 2021, https://www.nbr.org/publication/chinas-data-ambitions-strategyemerging-technologies-and-implications-for-democracies/ (accessed Sept. 7, 2022); Derek Grossman, et al., "Chinese Views of Big Data Analytics, RAND, 2020, https://www.rand.org/pubs/research reports/RRA176-1.html (accessed Sept. 13, 2022); and UNDP China Working Paper, "Big Data for Development in China," United Nations Development Programme, November 2014.

https://www.undp.org/sites/g/files/zskgke326/files/migration/cn/UNDP-Working-Paper Big-Data-for-Development-in-China Nov-2014.pdf (accessed Sept. 13, 2022).

²⁸ This paper briefly explores the history of Digital China beginning with its origins in Digital Fujian in 2000 and through the period leading up to the 20th Party Congress in October 2022.

²⁹ For a useful primer on "ends, ways, and means" analysis, see Harry R. Yarger, "Toward a Theory of Strategy: Art Lykke and the Army War College Strategy Model," Strategic Studies Institute, U.S. Army War College, 2012, <u>https://www.jstor.org/stable/pdf/resrep12116.6.pdf</u> (accessed July 30, 2022).

strategy.³⁰ Like other national-level developmental strategies, Digital China is built on an evolutionary process of designing, implementing, evaluating, modifying, and integrating countless party decisions, objectives, missions, projects, and priority areas of action-to name just a few-over months, years, or decades. For a strategy as grand as Digital China, these individual inputs can number in the hundreds to thousands if viewed comprehensively from the national to the local level. Because of the expansive nature of the Digital China strategy, we have narrowed our analysis in this paper to the national level and borrowed ends, ways, and means nomenclature to describe the top-level design (顶层 设计) of Digital China³¹ (see Figure 2). We do this to better illuminate the overall strategy for our Western readers and to set up a reusable "explainer" for all four papers in this series, each taking on specific elements of the strategy both domestic and international.

Digital China's success will be ultimately measured against its ability to meet the strategy's highest order "ends" (goals or objectives) through the effective implementation of its "ways" (courses of action) using the "means" (resource requirements) made available to it. As the scope of even Digital China's top-level framework is considerable, we reserve our opening analysis of its specific elements for the forthcoming part two of this series titled "Digital China Rises from New Type Infrastructure." In part two, we explore "New Type Infrastructure," 32 the party term-of-art used to describe the primary technology avenue for implementing Digital China's "means." We focus on New Type Infrastructure both to demonstrate the utility of using ends, ways, and means nomenclature to describe a strategy as complex as Digital China, but also to highlight a major and one of the most public thrusts, both national and international, of Digital China and its supporting strategies at present.



Figure 2: Digital China's Top-Level Framework Reformatted as Ends, Ways, and Means.

The four papers in this series, and others that follow, will break down the individual elements of the Digital China Strategy in terms of ends, ways, and means, to include the Marxist theory driving the strategy, and other national-level strategies that support it. In party strategy lexicon, supporting strategies at this level are generally non-hierarchical and support is multidirectional.

³⁰ Chinese academics studying grand strategy label these: 目的 or 目标 (ends), 方式 (ways), and 手段 or 基本原则 (means). See for instance, Shi Yinhong and Yu Haifeng (时殷弘 and 于海峰), "The Ends and Fundamental Principles of Grand Strategy" (论大战略的目的及其基本原 则), *Journal of Renmin University of China*, (中国人民大学学报), 2008 Issue 5, <u>http://xuebao.ruc.edu.cn/CN/abstract/abstract8996.shtml</u> (accessed July 30, 2022).

³¹ "Top level design" is a party term-of-art that stresses systems thinking (系统思维) to ensure the integration of all components of society at all levels into a strategic design, to avoid a fractured, unequal, or incomplete end state. The term top level design first appeared in Central Committee recommendations for the 12th Five-Year Plan. See, Baidu Encyclopedia (百度百科), "Top Level Design" (顶层设计), <u>https://baike.baidu.com/item/顶层设计/6000805</u> (accessed July 30, 2022).

³² David Dorman, "Most Americans Have Never Heard of New Type Infrastructure. Even Xi Jinping would find that odd," *Digital China Wins the Future*, May 13, 2022. The full tifa is "新型基础设施建设" (New Type Infrastructure Construction), often shortened to "新型基础设施" or "新基 建"

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Our third argument is that China's "technoauthoritarianism" 33 owes much to China's Marxist legacy and is deliberately - rather than incidentally -Marxist in nature. In state documents, leadership speeches, and party commentary, China's leaders use Marx's historical materialist approach towards history to frame the arrival of the digital age and to justify the party's role in leading the historical transition and, thus, also ensuring regime survival. This approach includes viewing the intelligent application of data on par with other transformative technologies, such as those which spurred the industrial revolution and transformed medieval society into a capitalist one. Borrowing the party's current discourse on historical materialism, the productive impact of data intelligence on human development is reconstructing the Marxist "forces of production" (combined human productive powers). This theoretical and predictive framing underlies the party's current efforts to institutionalize and popularize socialist modernization (including labelling it Chinese-Style Modernization), both domestically and internationally. In effect, we are witnessing Beijing apply historical materialism and the predictive power of its new insights on data to guide policy development in the digital age.

This process of data-driven socialist modernization began to surface publicly following the 19th Party Congress in 2017. Practically, data was incorporated as a new factor of production and designated the key factor over labor in a digital economy, effectively overwriting Marx's labor theory of value. Politically, the party's historical dependence on control of media, the military, and personnel for its own survival and the continuity of the authoritarian regime it leads also underwent a digital transformation about the same time, with the "control of data" added as a fourth essential principle of party control. In the forthcoming part three of this series, titled "The Communist Party Discovers Data: Is This Digital Marxism?" we will focus on the use of Marxist theory to lift Digital China into its current pride-of-place in the PRC strategy hierarchy and to birth another new term-of-art "Smart Society," both based on the transformative potential of data intelligence. In parallel, we will trace the development of Xi Jinping's "important thought" on Cyber Great Power and Digital China, both described in state-run media as integral to reaching national rejuvenation.

We did not arrive at these three arguments (history, framework, and theory) easily, but rather they emerged gradually from our review of Chinese language sources, including state-run media, Chinese academic papers, and the official government and party record. Throughout our research, it became apparent that Digital China has been hidden in plain sight. In fact, the opaque nature of Digital China outside the country may have received some help over the past decade from party and government editors and censors (or alternatively perhaps just poor translation) something this paper will also describe. Notably, some supporting elements of Digital China, like military-civil fusion,³⁴ which held a prominent, public role in Digital China strategy as late as 2018,³⁵ have been largely erased from the later record. ³⁶ However, as we will show, the party education campaign meant to inform cadres and citizens of Digital China's importance supports our argument that it is a central strategy, providing a

三五"国家信息化规划提出十六项重点工程), China Securities Journal (中国证券网), Dec. 29, 2016,

³³ There are many excellent studies on the party's use of technology to support authoritarian control, see for instance, Josh Chin and Liza Lin, *Surveillance State: Inside China's Quest to Launch a New Era of Social Control* (New York: St. Martin's Press, 2022); Dimitar Gueorguiev, *Retrofitting Leninism: Participation without Democracy in China* (Oxford: Oxford University Press, 2021); Maya Wang, "China's Techno-Authoritarianism Has Gone Global: Washington Needs to Offer an Alternative," *Foreign Affairs*, April 8, 2021, <u>https://www.foreignaffairs.com/articles/china/2021-04-08/chinas-techno-authoritarianism-has-gone-global?utm</u> (accessed Oct. 2, 2022); "The New Big Brother – China and Digital Authoritarianism," A Minority Staff Report Prepared for the Use of the Committee on Foreign Relations United States Senate, July 21, 2020,

https://www.govinfo.gov/content/pkg/CPRT-116SPRT42356/html/CPRT-116SPRT42356.htm (accessed Oct. 2, 2022); Steven Feldstein, "When It Comes to Digital Authoritarianism, China is a Challenge–But Not the Only Challenge," War on the Rocks, Feb. 12, 2020,

https://warontherocks.com/2020/02/when-it-comes-to-digitalauthoritarianism-china-is-a-challenge-but-not-the-only-challenge/ (accessed Oct. 2, 2022); Elizabeth Economy, "Yes, Virginia, China Is Exporting Its Model," Council on Foreign Relations, Dec. 11, 2019, https://www.cfr.org/blog/yes-virginia-china-exporting-its-model (accessed Oct. 2, 2022); and U.S. House of Representatives Permanent Select Committee on Intelligence, Hearing on "China's Digital Authoritarianism: Surveillance, Influence, and Political Control," May 16, 2019,

https://www.congress.gov/event/116th-congress/house-event/109462 (accessed Oct. 2, 2022).

³⁴ For an excellent analysis of China's military-civil fusion strategy see, Elsa B. Kania and Lorand Laskai, "Myths and Realities of China's Military-Civil Fusion Strategy," Center for a New American Security, Jan. 28, 2021, <u>https://www.cnas.org/publications/reports/myths-and-realities-of-chinasmilitary-civil-fusion-strategy</u> (accessed July 10, 2022).

³⁵ For instance, a short description of the "Cybersecurity-Informatization Military-Civil Deep Fusion Project" (网信军民深度融合工程) in the context of Digital China can be found in "State Council Issued "13th Five-Year" National Informatization Plan Presenting 16 Key Projects" (国务院印发"十

http://www.gdjmrh.com/mobile/gczxVB/info_158.aspx?itemid=1275 (accessed July 10, 2022).

³⁶ Information on military-civil fusion in Digital China is more difficult to detect currently, but still available. See for instance, David Dorman, "China's Industrial Internet Work Plan for 2022; Military-Civil Fusion Highlighted," Digital China Wins the Future, April 13, 2022, <u>https://digitalchinawinsthefuture.com/2022/04/13/new-milt-issuesindustrial-internet-work-plan-for-2022-military-civil-fusion-highlighted/</u> (accessed July 10, 2022).

"powerful digital impetus"³⁷ in China's march to the second centenary goal and national rejuvenation.³⁸

Finally, considering the need for more clarity in the West on important questions regarding the intent, scope, external and internal challenges, and potential outcomes of China's digital grand strategy, in the forthcoming part four of this series, titled "Essential Findings and Key Recommendations," we attempt to measure the likelihood of success for Digital China in its stated goals—as well as discerning the strategy's potential implications for global order. In addition, we make recommendations for the U.S. and its partners on five essential questions:



Figure 3: Digital China: Digitalized Construction and Development (Beijing: Central Party School Press, 2021). The editors write that this book "will help leading cadre and party members in government and business at all levels to systematically understand and learn the Digital China national strategy."¹ The large "2035" date in white on the book's cover points to the party's deadline to "basically achieve" socialist modernization, a goal tied to Digital China's success.

- 1. <u>Theory</u>: Why does Beijing's Marxist view of informatization and modernization matter?
- 2. <u>Driver</u>: How will the Communist Party's new Marxist theory on data and new essential principle on control manifest themselves inside and outside China?
- 3. <u>Ends</u>: Does Digital China seek a digital order or a new global order?
- 4. <u>Ways</u>: Are authoritarian methods of governance inherent in Smart Society technology?
- 5. <u>Means</u>: Is global innovation in digital technology now purely competitive?

China" Boost the Great Chinese Dream of National Rejuvenation,"(让"数 字中国"助推民族复兴伟大中国梦), Sichuan Online (四川在线), May 8, 2019, https://china.chinadaily.com.cn/a/201905/08/WS5cd28ea5a310e7f8b157b873. html (accessed July 10, 2022).

 ³⁷ "我国 … 紧紧抓住信息革命的历史机遇,将建设数字中国作为新时代国家信息化发展的总体战略 … 向第二个百年奋斗目标进军提供强大数字动力." See, "Cyberspace Administration of China Publishes 2020 Digital China Development Report," Cyberspace Administration of China, July 2, 2021.
 ³⁸ The relationship between national rejuvenation and Digital China is also routinely expressed in state-run media. See for instance, "Let "Digital

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"The ever-changing courses of the information revolution and the great rejuvenation of the Chinese nation have historically converged, injecting powerful momentum into reform and opening up, and socialist modernization." ⁵¹

Huang Kunming Politburo Member, Director of the Central Propaganda Department May 6, 2019

We argue in this paper that Digital China is both accurately and usefully described as China's digital grand strategy. However, it is important to highlight at the onset that this is our analytical judgement only. The Communist Party does not describe Digital China as a "grand strategy" or a "digital grand strategy." Using the term "digital grand strategy" is important to our wider argument because it helps us look at Beijing's digital policies through the ultimate aims of its "grand strategy" within the international system. However, we face a roadblock in accomplishing this, and not from the Chinese side. Somewhat surprising, there is little academic agreement in the West on how one defines a grand strategy.39

While there is not a common definition of grand strategy in academic literature, there are however some areas of general agreement among academic

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experts on the general characteristics of a grand strategy. These commonly held descriptors include that a grand strategy must be long-term in scope, address the state's highest priorities, and touch all aspects of national development and statecraft.⁴⁰ In line with these descriptors, most China specialists would agree that the party has a grand strategy and, in line with party theory, it is best labeled "national rejuvenation." ⁴¹ This conclusion is supported by party commentary which has long described the "clarity" of China's grand strategy: "China's grand strategy (大战略) is to achieve the two centenary goals and the Chinese Dream of the Great Rejuvenation of the Chinese Nation."⁴²

What does this mean in practice? In a July 2021 speech commemorating the first centenary of the Chinese Communist Party, Xi Jinping declared that the "First Centenary Goal of Building a Moderately Prosperous Society" had been "realized in all respects."43 The Second Centenary Goal of Building a Socialist Great Power Modernized that is "prosperous, strong, democratic, culturally advanced, harmonious, and beautiful" 44 must be achieved by the first PRC centenary in 2049. In 2017, the 19th Party Congress added a new interim objective to its "strategic plan," to "basically achieve" socialist modernization by 2035."45 While these measures of success may seem largely subjective, as we saw reflected in Xi's July 2021 declaration that the first centenary goal had been achieved, the strategy sets the strategic direction and ideological tone of national policy, both essential elements of the Chinese system of governance.

Understand China Objectively: There is No Need for Concern over China's Strategic Objectives," (澄清不实之词 客观认识中国: 观中国战略意图, 不要杞

人忧天), People's Daily (人民日报), Page 3, Sept. 26, 2014,

³⁹ For an interesting essay on the academic challenges posed in trying to define "grand strategy," see Peter Layton, "Defining Grand Strategy," *The Strategy Bridge*, Aug. 17, 2020, <u>https://thestrategybridge.org/the-bridge/2020/8/17/defining-grand-strategy</u> (accessed 220730).

⁴⁰ These informative descriptors are drawn primarily from Rebecca Friedman Lissner, "What Is Grand Strategy? Sweeping a Conceptual Minefield," *Texas National Security Review*, Volume 2, Issue 1, November 2018, <u>http://dx.doi.org/10.26153/tsw/868</u> (accessed Aug. 31, 2022). In her paper, Friedman Lissner highlights the broad areas of agreement that do exist in a basic definition of grand strategy.

⁴¹ For useful summaries of current academic views on Chinese grand strategy, see Rafiq Dossani, Lynn Hu, and Christian Curriden, "Implementing China's Grand Strategy in Asia Through Institutions," RAND, Nov. 29, 2021,

https://www.rand.org/pubs/research_reports/RRA1653-1.html (accessed Aug. 2, 2022) and Rush Doshi, "The Long Game: China's Grand Strategy to Displace American Order," Brookings, Aug. 2, 2021,

https://www.brookings.edu/essay/the-long-game-chinas-grand-strategy-todisplace-american-order/ (accessed Aug. 2, 2022). There are also many excellent Western analyses of the party's grand strategy, see for instance, Rush Doshi, *The Long Game: China's Grand Strategy to Displace the American Order* (New York: Oxford University Press, 2021); Daniel Tobin, "How Xi Jinping's "New Era" Should Have Ended U.S. Debate on Beijing's Ambitions," CSIS, May 8, 2020, https://www.csis.org/analysis/how-xijinpings-new-era-should-have-ended-us-debate-beijings-ambitions

⁽accessed Sept. 12, 2022); and Timothy R. Heath, *China's New Governing Party Paradigm: Political Renewal and the Pursuit of National Rejuvenation*, (Burlington: Ashgate, 2014).

 $^{^{\}rm 42}$ See for instance this commentary from 2014 written by the quasiauthoritative source Zhong Sheng (钟声), "Clarify Falsehoods and

http://world.people.com.cn/n/2014/0926/c1002-25737691.html (accessed July 28, 2022).

⁴³ "Xi declares China a moderately prosperous society in all respects," *Xinhua*, July 01, 2021,

https://english.www.gov.cn/news/topnews/202107/01/content_WS60ddd47 ec6d0df57f98dc472.html (accessed Aug. 29, 2022).

⁴⁴ "Xi unveils plan to make China 'great modern socialist country' by mid-21st century," *Xinhua*, Oct. 18, 2017,

https://english.www.gov.cn/news/top_news/2017/10/18/content_281475912 476280.htm (accessed Aug. 29, 2022).

⁴⁵ See for instance, National Development and Reform Commission Party Leadership Group, "A Historic Leap toward the Rejuvenation of the Chinese Nation," *Seeking Truth* (Qiu Shi English Edition), November 15, 2021, <u>http://en.qstheory.cn/2021-11/15/c_680117.htm</u> (accessed Aug. 1, 2022).

We have an additional challenge. Although we can forge general agreement on at least the outlines of the party's grand strategy, the same is not possible regarding digital grand strategy, as no definition, common or otherwise, exists. Aspirational writing on the necessity of individual countries designing a digital grand strategy include mostly countryspecific principles of organization.46 National digital strategies that do exist, like India's "Digital India," 47 Singapore's "Smart Nation," 48 South Korea's "New Deal 2.0," 49 and Taiwan's "Digital Nation, Smart Island,"50 touch on some of the "common descriptors" of a grand strategy, but unlike Digital China, they are far less comprehensive in scope (albeit seemingly more advanced in some technical areas), and they do not specifically align with a higher order grand strategy.

Digital China contains ends, ways, and means across both national and international lines that are intended to help the party achieve the primary goals of its grand strategy. Then-Politburo member and party propaganda chief Huang Kunming noted in 2019 that the ever-evolving information revolution had "historically converged" with the course of the Great Rejuvenation of the Chinese Nation.⁵¹ Through a Marxist lens, Huang's statement points to the essential role that Xi's Digital China, the "overall strategy for national informatized development in the new era," has been assigned to support the party's quest to "basically achieve" socialist modernization by 2035 as a "modernized socialist country," and then rejuvenation by 2049 as a "modernized socialist great power." ⁵² In February 2014 at the inaugural meeting of the Central Leading Group for Cybersecurity and Informatization, Xi Jinping himself crystallized his theoretical insight with a single phrase: "…without informatization, there will be no modernization."⁵³

With this basic knowledge in hand, we define "digital grand strategy" as the process by which a state achieves long-term ends (in the case of China, the second centenary goal and national rejuvenation) through the digital transformation of national-level ways (courses of action) and national-level means (resource requirements). This is an adaptation of a definition of grand strategy expressed in term of ends and means that was jointly created by the American scholar Andrew Scobell and the Chinese scholar Zhu Feng: "Grand strategy is the process by which a state relates long-term ends to means under the rubric of

"modernized socialist country (社会主义现代化国家), except when directly quoting from other sources.

⁴⁶ See for instance, Anne-Marie Slaughter, "How to Succeed in the Networked World - A Grand Strategy for the Digital Age," *Foreign Affairs*, Oct. 4, 2016, <u>https://www.foreignaffairs.com/articles/world/2016-10-</u> <u>04/how-succeed-networked-world</u> (accessed Aug. 30, 2022) and Tyson Barker, German Council on Foreign Relations, "Forging Germany's Digital Grand Strategy—It's Now or Never," Oct. 22, 2021,

https://dgap.org/en/research/publications/forging-germanys-digital-grandstrategy (accessed Aug. 30, 2022).

⁴⁷ "Digital India: Power to Empower," <u>https://www.digitalindia.gov.in/</u> (accessed Sept. 2, 2022). Also see, Evan A. Feigenbaum and Michael R. Nelson, "Data Governance, Asian Alternatives: How India and Korea Are Creating New Models and Policies, Carnegie Endowment for International Peace, Aug. 31, 2022 <u>https://carnegieendowment.org/2022/08/31/how-indiaand-korea-can-drive-new-thinking-about-data-pub-87766</u> (accessed Sept. 2, 2022).

⁴⁸ "Smart Nation: Singapore," <u>https://www.smartnation.gov.sg/</u> (accessed Sept. 2, 2022). Interestingly, Chinese experts highlight Singapore's "Smart Nation" as a model to emulate, specifically for its use of "systems thinking" in overall design, see David Dorman, "Party Watch 2021: The Construction of Digital China Requires Systems Thinking (Just Like Singapore)" *Digital China Wins the Future*, May 18, 2022, <u>https://digitalchinawinsthefuture.com/2022/05/18/party-watch-2021-theconstruction-of-digital-china-requires-systems-thinking-just-likesingapore/</u> (accessed July 10, 2022).

⁴⁹ "Korean Digital New Deal" <u>https://digital.go.kr/front/main/eng.do</u> (accessed Sept. 2, 2022) and "Digital Government"

https://www.dgovkorea.go.kr/ (accessed Sept. 2, 2022). Also see, Evan A. Feigenbaum and Michael R. Nelson, "Data Governance, Asian Alternatives: How India and Korea Are Creating New Models and Policies, Carnegie Endowment for International Peace, Aug. 31, 2022 https://carnegieendowment.org/2022/08/31/how-india-and-korea-candrive-new-thinking-about-data-pub-87766 (accessed Sept. 2, 2022). ⁵⁰ "DIGI+ Taiwan: To Accelerate Industrial Innovation, To Create Smart Taiwan," https://digi.taiwan.gov.tw/ (accessed Sept. 2, 2022). ⁵¹ "日新月异的信息革命与中华民族伟大复兴进程历史性交汇,为改革开放和

社会主义现代化建设注入了强大动能." Huang Kunming (黄坤明), "Give Full Play To The Leading Role of Informatization To Add New Impetus To

High Quality Development" (充分发挥信息化驱动引领作用 为实现高质量发 展增添新动力), Xinhua (新华), May 6, 2019,

http://www.xinhuanet.com/politics/leaders/2019-05/06/c_1124456444.htm (accessed September 6, 2022).

²² "社会主义现代化国家" (literally "socialist modernized country") and "社 会主义现代化强国 (literally "socialist modernized great power"). Despite the importance of these two terms in party theory, there is no standard English language translation for either, including by PRC state-run media. For the purposes of this paper, we translate "强国" as "great power" except when directly quoting from other sources. This translation best reflects the formality, meaning, and wider usage of "great power" (强国; shortened form of 强大国家) in the party's strategy lexicon, and to ensure consistent translation of a party term-of-art throughout this paper. Although neither "modern" nor "modernized" adequately convey the deeper implications of "现代化" in the context of national informatization, this paper adopts "modernized" as the closer fit. Thus, for the purposes of this paper and adapting to standard English, we adopt the irregular translations "modernized socialist great power" (社会主义现代化强国) and

⁵³ Xi's full phrase at the 2014 meeting was: "Without cyber security, there will be no national security; without informatization, there will be no modernization." (没有网络安全就没有国家安全,没有信息化就没有现代

化). Although still blended in 2014, within several years these two goals (cyber security and informatization) would become the distinguishing feature and core focus of two separate national strategies: Cyber Great Power Strategy (new systems of governance and control for cyber security and informatization) and Digital China strategy (national informatization in support of socialist modernization). See for instance, "Xi Jinping: Without cyber security, there will be no national security" (习近平:没有网络安全就没有国家安全), *Study Times Online* (求是网), Oct. 10, 2021, <u>http://www.qstheory.cn/zhuanqu/2021-10/10/c 1127943608.htm</u> (accessed Oct. 2, 2022).

an overarching and enduring vision to advance the national interest."⁵⁴ As we will show, the party has designed its digital grand strategy, Digital China, to provide a "powerful digital impetus"⁵⁵ to achieve the grand strategic objective of national rejuvenation. Moreover, Beijing has digitally transformed Digital China's grand strategic "ways" and created or reorganized its grand strategic "means" to drive implementation and ensure success.

We should not discount, however, that there is significant disagreement among academic experts, inside and outside China, on how to specifically understand Beijing's wider grand strategic ambitions, particularly its global ambitions.⁵⁶ Less precise than the general descriptors above, these ambitions are often only vaguely referenced in the party's authoritative record. However, the relationship between wider ambitions and the party's digital grand strategy is a central theme to our argument. So once again to clarify this argument, we seek a set of general descriptors on China's grand strategic ambitions that most specialists on China might agree with. For this, we look to one of China's own "elite" academic experts on its grand strategy.⁵⁷

Men Honghua, a former professor at the Central Party School, dean of Tongji University's School of Political Science and International Relations in Shanghai, and considered one of China's most

发展报告(2020年)》), Cyberspace Administration of China (国家互联网

06/28/c_1626464503226700.htm (accessed July 10, 2022).

国大战略刍议), Aisixiang (爱思想), July 18, 2014,

prestigious experts on the country's grand strategy, wrote in the 2017 Chinese-language edition of his classic textbook on the subject that, "In (his) opinion...the fundamental goals [of China's grand strategy] are to make China the world's largest economic entity in the next twenty years, to significantly narrow the gap between [China's] comprehensive national power and that of the United States, and to raise the people's living standard to a higher level..."58 In the 2020 English-language edition of the same textbook, Men offered that China has the "strategic goal of rising successfully to become the world's major power." 59 Professor Men seemingly offers a clear description of the party's strategic ambitions, but like the unreachable goal of finding a common definition for grand strategy, outside experts could reasonably find fault with his description, especially what might be missing. Even so, the views of most specialists on China could also "co-exist comfortably (with Professor Men's list) without intrinsic contradictions."60 For the purposes of this paper, that is sufficient.

As we shall see, Digital China's strategic objectives, both in authoritative and public descriptions, align closely with general assessments like Professor Men's regarding the party's grand strategic goals and intent, and are similarly described in terms of economic development, comprehensive national power, and the "people's livelihood." ⁶¹ For the definition of

⁵⁴ Andrew Scobell, et al, China's Grand Strategy: Trends, Trajectories, and Long-Term Competition. Santa Monica, CA: RAND Corporation, 2020. <u>https://www.rand.org/pubs/research_reports/RR2798.html</u> (accessed July 29, 2022).

⁵⁵ The phrase "powerful digital impetus" (强大数字动) was first used in the Cyberspace Administration of China's 2020 Digital China Development Report. See, "See, "Cyberspace Administration of China Publishes 2020 Digital China Development Report" (国家互联网信息办公室发布《数字中国

信息办公室), July 2, 2021, http://www.cac.gov.cn/2021-

⁵⁶ See for instance, Alastair Iain Johnston, "Translation Matters: Problems of Inference in the 2020 State Department Policy Planning Report 'The Elements of the China Challenge," *CSIS Interpret: China*, Jan. 31, 2022; and Michael D. Swaine, "Beyond American Predominance in the Western Pacific: The Need for a Stable U.S.-China Balance of Power," Carnegie Endowment for International Peace,

https://carnegieendowment.org/2015/04/20/beyond-americanpredominance-in-western-pacific-need-for-stable-u.s.-china-balance-ofpower-pub-59837 (accessed Sept. 12, 2022).

⁵⁷ The predominant, but not exclusive, view among Chinese academic experts is that grand strategy, including China's, equates to a country's "overall" national strategy which includes both its national security strategy and its national development strategy, a view promoted by Men Honghua among others. For a short but interesting academic treatment of the differences and commonalities in Chinese academic views on grand strategy, including the views of China's "elite" expert Men Honghua, see Cai Tuo (蔡拓), "A Preliminary Discussion on China's Grand Strategy" (中

⁵⁸ "我认为,中国大战略就是富民强国的战略,其根本目标就是在未来 20 年,使中国成为世界最大的经济实体,明显缩小与美国综合国力的想读额差 距,使人民生活水平再上一个台阶,全面建立惠及近 14 亿人口的更高水平 小康社会." See, Men Honghua (门洪华), Constructing a Framework for China's Grand Strategy: National Strength, Strategic Concepts and the International System, (构建中国大战略的框架:国家实力,战略观念与国际制 度, 2017 (Second Edition), Peking University Press (北京大学出版社). The title of the English edition, China's Grand Strategy: A Framework Analysis, is an abbreviated form of the original Chinese title.

⁵⁹ Men Honghua, *China's Grand Strategy: A Framework Analysis* (New York: Springer, 2020), p. 27.

⁶⁰ Rebecca Friedman Lissner applies this useful analytic tool in her examination of academic views on grand strategy. See, Rebecca Friedman Lissner, "What Is Grand Strategy? Sweeping a Conceptual Minefield," *Texas National Security Review*, Volume 2, Issue 1, November 2018.

⁶¹ 民生. Although the term-of-art "people's livelihood" predates 2017, more recent party commentary most often ties "people's livelihood" to a statement by Xi Jinping in his report to the 19th Party Congress in October 2017: "We must put the people's interests above all else, see that the gains of reform and development benefit all our people in a fair way, and strive to achieve common prosperity for all." See for instance, "What is China's way of improving people's livelihood?" *CGTN*, June 13, 2021, https://www.cgtn.com/how-china-works/feature/What-is-China-s-way-of-improving-people-s-livelihood.html (accessed Oct. 5, 2022). For a longer-term analysis of Xi and "people's Livelihood," *Chinese Studies*, April 17, 2015, https://www.scirp.org/pdf/ChnStd 2015041715283338.pdf (accessed Oct. 5, 2022).

https://m.aisixiang.com/data/76290.html (accessed Nov. 16, 2022).

digital grand strategy that we develop in this paper, an essential feature is the alignment of its strategic goals with a higher order grand strategy, a threshold we will argue is met by Digital China. As we will demonstrate in part three of this series, each of these three areas, and especially the "people's livelihood," play a key role in Xi's use of Marxist theory to combine his visions for national informatization and socialist modernization.



Figure 4: Men Honghua, China's Grand Strategy: A Framework Analysis (All editions 2005-2020)

Cyber Great Power, Digital China, and Smart Society

"General Secretary Xi Jinping has repeatedly emphasized the need to build a Cyber Great Power, a Digital China, and a Smart Society" 62

> *Study Times* Feb. 18, 2022

The slow evolution of Digital China to a key nationallevel strategy personally tied to Xi Jinping occurred over more than two decades, accelerated in recent years by the twin challenges of the coronavirus pandemic and deteriorating relations with the United States.⁶³ However, the term Digital China did not evolve in isolation. It emerged as the party's "overall" digital strategy out of a lengthy and still ongoing party debate beginning in the 1980s on how to understand, structure, implement and comprehensive informatization strategy for China.64 As the "new stage"⁶⁵ of China's informatization path, titled "intelligentization,"66 began to crystalize under Xi Jinping following his elevation to general secretary in 2012, three new terms-of-art also emerged, each

Study Times (学习时报), Feb. 18, 2022, <u>https://theory.gmw.cn/2022-02/18/content_35527057.htm</u> (accessed Sept. 2, 2022).

⁶³ For a brief introduction to Xi Jinping's guidance regarding the "opportunity" brought by the coronavirus pandemic, see David Dorman, "Making the Most of It, Part II: Xi Jinping Leverages Coronavirus 'War Without Smoke' To Spur Digital Transformation, Test National Defense Mobilization," *Security Nexus*, April 27, 2020, <u>https://apcss.org/wpcontent/uploads/2020/11/Dorman Making-the-Most-of-It-Part-II-final.pdf</u> (accessed Oct. 3, 2020).

- ⁶⁴ For a brief history of China's informatization policy & strategy over the past forty years see, Qu Weizhi (曲维枝), *China's Path to Informatization* (Beijing: Central Compilation and Translation Press, 2011). Qu, a former deputy minister of the Ministry of Information Industry as well as a former executive deputy director of the State Council Informatization Office, dates the first public statement by a Chinese leader on informatization to Deng Xiaoping in 1984.
- ⁶⁵ See Figure 1. The "new stage" of informatization is routinely referenced in state-run media and official documents, including the 14th Five-Year Plan for National Informatization: "During the "14th Five-Year Plan" period, informatization is entering a new stage to Accelerate Digitalized Development and Build Digital China." ("十四五"时期, 信息化进入加快数 字化发展、建设数字中国的新阶段). See, Central Cyberspace Affairs

Commission (PRC official translation of 中央网络安全和信息化委员会), 14th

Digital China: The Strategy and Its Geopolitical Implications

designed to clarify leadership intent and policy direction, as well as to educate cadre and the general public, on the direction of China's informatization: Cyber Great Power (网络强国),⁶⁷ Digital China, and Smart Society (智慧社会).⁶⁸ To understand the evolution of Digital China, we must also understand how these other terms-of-art developed within Beijing's corridors of power. Cyber Great Power will be discussed only briefly here, as it has been written on extensively elsewhere.⁶⁹ Smart Society will be discussed in detail in part three of this series, as it remains relatively unknown in the West.

Although these three terms first appeared in party discourse within just years of one other, they also emerged largely independent of one another, with *Smart Society* originating outside China years before the party capture of the term. However, once adopted by the party, each term would be used to corral the transformative potential of digital technology to serve party ends. But it would take Beijing nearly a decade, finally spurred by the strategic opportunity offered by the coronavirus pandemic and the strategic challenge posed by the United States, to fuse the three terms into a coherent whole. However, when Xi publicly linked the three terms together for the first time in late 2017, he offered little explanation

⁶² Jia Hui (贾晖), "Digital Economy: Activating New Momentum in County Level Economic Development" (数字经济:激活县域经济发展新动能)

Five-Year Plan for National Informatization ("十四五"国家信息化规划), Dec. 21, 2021, <u>http://www.gov.cn/xinwen/2021-12/28/content 5664873.htm</u> (accessed Sept. 10, 2022). A DigiChina translation of the Plan is available at <u>https://digichina.stanford.edu/work/translation-14th-five-year-plan-fornational-informatization-dec-2021/</u> (accessed Sept. 10, 2022).

⁶⁶ See Figures 1 and 5. Widely described in party commentaries, the process of informatization (applying information technology) is composed of three

stages: digitization (characterized by stand-alone applications, 1980s), networkization (characterized by Internet applications, 1990s), and intelligentization (characterized by data mining and data integration). China officially entered the "new stage" of intelligentization in the 2015-2017 timeframe. Pointing to the supporting role of military-civil fusion strategy to Digital China (and vice versa), China's party-army uses the same three-tiered framework to describe its path to intelligentized warfare. See, Elsa Kania, "数字化 – 网络化 – 智能化: China's Quest for an AI Revolution in Warfare," *The Strategy Bridge*, June 8, 2017, <u>https://thestrategybridge.org/the-bridge/2017/6/8/-chinas-quest-for-an-airevolution-in-warfare</u> (accessed Oct. 5, 2022).

⁶⁷ "网络强国" is a standardized term-of-art in party discourse, but no such standardization exists in English. Translations of the term range from Network Great Power to Cyber Superpower and Cyber Powerhouse. Even the PRC English-language state-run media outlet China Daily has translated the term in a variety of ways, including Cyber Power, Network Power, Internet Power, as well as "a country with strong cyber technology." This paper adopts the translation "Cyber Great Power" because it best reflects the formality, meaning, and wider usage of "great power" (强国; shortened form of "强大国家) in the party's strategy lexicon. Also, "cyber" has become the contextualized translation of the more general term "network" (网络) in the context of "great power" transition for most editors inside and outside China, although the word "network"

better describes the broad scope of this term-of-art. ⁶⁸ Xi Jinping first raised the triad "Cyber Great Power, Digital China, Smart Society" in public at the Fourth World Internet Conference in Wuzhen in December 2017. See, "Xi Jinping's Congratulatory Letter to the 4th World

Internet Conference" (习近平致第四届世界互联网大会的贺信), Xinhua (新 华社), Dec. 3, 2017, <u>http://www.gov.cn/xinwen/2017-</u>

^{12/03/}content_5244219.htm (accessed Oct. 16, 2022).

⁶⁹ Beijing's view of the cyber domain and the party's Cyber Great Power Strategy such as "The CMP Dictionary: Strong Cyber Power 网络强国," China Media Project, May 6, 2021.

on the deeper significance of the new "triad."⁷⁰ Party commentaries would later clarify that the triad reflected a strategic plan (战略部署) by the 19th Party Congress to facilitate the path to socialist modernization. In the party education campaigns that followed, party cadre and the Chinese public learned that the triad represented a new theoretical framework for informatization, whereby each strategy served in turn as the foundation for the next, with all three strategies unified in seeking an "intelligentized" end state for the nation (see Figure 5). By the time China's national legislative sessions ended in March 2021, Xi's 20-year-old vision for Digital China, bolstered through China's emerging Cyber Great Power status, and joined in a common drive to create a Smart Society-was charting the course for the party's ultimate victory in the new digital age as a Modernized Socialist Great Power.

A coherent framework of supporting strategies with a defined end state is a befitting accomplishment for the party's two-decade-long effort led by Xi to build an "overall" digital strategy. But the evolution did not happen quickly nor without confusion. As noted above, a wide-ranging public education campaign to explain the evolution of the party's informatization strategy, and the emergence of Digital China along with it, was years in the making. Experts were frequently called upon to distinguish between termsof-art like Digital China and Cyber Great Power, which for many seemed similar in function. Similarly, Xi Jinping's first mention of Smart Society in his October 2017 report to the 19th Party Congress offered little context on the new term, and Xi did not list the term in what would later become the wellunderstood triad. Although Xi's apparent oversight may have simply reflected a strategy in evolution, government and party officials would once again jump forward to offer public clarification. Not surprisingly, along with digitally transforming China, Xi Jinping was also digitally transforming party theory. As such, precise clarification through party education campaigns focusing on the evolving digital concepts and language became a regular feature in state-run media.

One of the widely circulated clarifications described above was carried in the PRC news magazine Outlook Weekly in January 2021.71 The magazine published an expansive interview on Cyber Great Power with Liu Yunjie, a well-known Chinese Academy of Engineering Academician. Early in the interview, Liu was asked the question: "What's the relationship between Cyber Great Power and Digital China?" Liu offered that Digital China is the specific goal, concrete expression, and result of Cyber Great Power, adding that "...constructing Cyber Great Power provides the foundation and technological support for constructing Digital China." 72 Liu continued that "Cyber Great Power strategy and Digital China



Figure 5: Unpacking Communist Party Terminology: Digital Strategies.

Importantly, the arrows represent dependency not hierarchy. The success of Smart Society is dependent on Digital China, and the success of Digital China is dependent on Cyber Great Power. Only Cyber Great Power can be achieved independently of the other two strategies.

⁷¹ Liu Yunjie (刘韵洁), "Explaining the Cyber Great Power Layout in the 14th Five-Year Plan" ('十四五'网络强国如何布局), *Outlook Weekly* (瞭望), Jan.

27, 2021, <u>http://lw.xinhuanet.com/2021-01/27/c_139700339.htm</u> (accessed Sept. 7, 2022).

²² "...网络强国建设为数字中国建设提供了基础和技术支撑..." Liu Yunjie, "Explaining the Cyber Great Power Layout in the 14th Five-Year Plan," Outlook Weekly, Jan. 27, 2021.

 $^{^{\}infty}$ Some writers in China describe these three terms as the "three propositions" (三个命题). Although the label "triad" in not used in China, we adopt it in this paper for editorial simplicity.

construction complement each other, promote each other, and ultimately unite in the construction of a modernized socialist country."⁷³ Liu concluded that "...the construction of Digital China... [is] the overall goal of our country's informatized development... [and] ...Cyber Great Power strategy... is the top-level design... for the formulation and development of our country's cybersecurity and informatization undertaking."⁷⁴ It is perhaps surprising though that these kinds of explanations were still necessary for party terms-of-art that had emerged years earlier – nearly a decade earlier in the case of *Cyber Great Power*.



Figure 6: The Digital Triad — Cyber Great Power-Digital China-Smart Society — in the news

On April 2, 2019, Wu Hao, director of the National Development and Reform Commission's Innovation and High Technology Department, answers questions on the "strategic plan by the 19th Party Congress to build a Cyber Great Power, Digital China, and Smart Society" at a State Council Information Office press conference in advance of that year's Digital China Summit.⁷⁵

informatization undertaking." Both translations have their own advantages, the former for editorial simplicity and to illuminate the broad context of Cyber Great Power, the latter to highlight the two internal systems that organize the party's concept of cyberspace.

⁷⁵ "The Key to Carrying Out the Cyber Great Power, Digital China, Smart Society Strategic Plan is Grasping Implementation" 实施网络强国、数字中

国、智慧社会战略部署关键要抓好落实, State Council Information Office (国务院新闻办公室), April 2, 2019,

http://www.scio.gov.cn/xwfbh/xwbfbh/wqfbh/39595/40156/zy40160/Docu ment/1651225/1651225.htm (accessed Oct. 5, 2022).

⁷³ "网络强国战略和数字中国建设相辅相成,相互促进,并最终统一于社会主 义现代化国家建设." Liu Yunjie, "Explaining the Cyber Great Power Layout in the 14th Five-Year Plan," Outlook Weekly, Jan. 27, 2021.

⁷⁴ "数字中国建设... [作为]我国信息化发展的总目标... [and] ...网络强国战略...为我国网络信息事业发展制定的顶层设计..." Liu Yunjie, "Explaining the Cyber Great Power Layout in the 14th Five-Year Plan," Outlook Weekly, Jan. 27, 2021. A *China Daily* language aid offers the translation "cyberspace development" for the party term-of-art "网络信息事业发展," often shortened to simply "网信事业." A more precise (and descriptive) translation of the shortened term would be "cybersecurity and

<u>Cyber Great Power: It's All about "U.S.</u> <u>Containment"</u>

"... Building Digital China... is the overall goal of our country's informatized development... (and) ... Cyber Great Power Strategy... is the top-level design... for the formulation and development of our country's cybersecurity and informatization undertaking."⁷⁶

Liu Yunjie Chinese Academy of Engineering Academician Jan. 27, 2021

Unlike the transformative focus of Digital China at the national level, the origin of Cyber Great Power strategy was primarily competitive, focused on building Chinese strength in cyberspace against the perception of growing U.S. containment. Zheng Bijian, the Marxist theorist credited with originating the concept of "China's Peaceful Rise,"77 is also cited in Chinese media for his key role in conceptualizing China's Cyber Great Power Strategy. 78 Based on classified Central Committee documents leaked to social media,79 Zheng argued to central authorities in April 2013 that China should seek to build itself into a world class Cyber Great Power (世界一流网络强国) years. Zheng's within 10 timeline and recommendation were based on his assessment that U.S. policy to contain China had expanded from physical space to cyberspace, and China needed to formulate a strategy to respond. Specifically, he called for a strategy designed to reverse China's passivity in cyberspace within three years and to effectively compete with the U.S. in cyberspace within 10 years. As Dr. Yang Jian, vice president of the Shanghai Institutes for International Studies, would later explain, the watershed competition that China faced is not over technology per se but instead over the future of the global digital ecosystem and the hegemonic politics that dominate it.⁸⁰ In Zheng Bijian's view, Beijing had a 10-year window to achieve cyber great power status to avoid cyber containment by the United States. In short, "cyber warfare was no longer a matter of whether China wanted to fight, but instead how long before it would be forced to act."81 The Central Committee members later reviewing Zheng's recommendation noted that it was "worthy of careful study," highlighting the "important role that cyber security plays in national security, economic development, and social stability." Interestingly, there is some evidence that Zheng Bijian's 10-year timeline still stands. Party discourse on the status of China's transition from a Cyber (Major) Power to a Cyber Great Power (网络大国向网 络强国) has appeared more regularly over the past year, just as Zheng's 2023 deadline has arrived.82

 $^{^{76}}$ Liu Yunjie, "Explaining the Cyber Great Power Layout in the $14^{\rm th}$ Five-Year Plan, Outlook Weekly, Jan. 27, 2021.

⁷⁷ Zheng first described his concept of "China's Peaceful Rise" to an international audience in a speech at the Center for Strategic and International Studies in December 2002, see China's Peaceful Rise: Speeches of Zheng Bijian 1997-2005, *Brookings Institution Press*, 2005, <u>https://www.brookings.edu/wp-</u>

<u>content/uploads/2012/04/20050616bijianlunch.pdf</u> (accessed Sept. 7, 2022). ⁷⁸ See for instance, "Qin An, Director of China Cyberspace Strategy Institute: The Structure, Morality, and Power of Building a Cyber Great Power" (中国网络空间战略研究所所长秦安:网络强国建设的格局, 道义和

力量), CIO Times (CIO 时代), Feb. 23, 2017,

http://www.cqbojunhui.com/infosecurity/124564.html (accessed Sept. 7, 2022).

⁷⁹ The leaked documents circulate regularly on various social media platforms and appear authentic, see for instance,

<u>https://twitter.com/watchwci/status/1137212238408888325</u> (accessed Sept. 7, 2022).

⁸⁰ The CNKI English-language abstract of the same sentence is: "If we cannot shift the focus of the Huawei confrontation from the Sino-U.S. technological Cold War to what kind of digital ecosystem is desirable, then

China and Huawei will remain in a passive situation for a long time." The full translation of the original Chinese text is: "If we cannot shift the diplomatic discourse related to this (competition) from a China-U.S. technology cold war to the watershed competition over the future digital ecosystem, then China and Huawei will be in a passive position for quite a long time" (如果我们不能将与此相关的外交论述从中美技术冷战中转向维护 未来数字生态的分水岭之争的话, 那么中国和华为公司还将在相当长时间里

处于被动局面). See, Yang Jian (杨剑), "When the Global Digital Ecosystem Encounters Hegemonic Politics: The 'Huawei Confrontation' in 5G Market Negotiations" (当全球数字生态遭遇霸权政治:5G 市场谈判中的'华为冲突), Pacific Journal (太平洋学报), January 2021,

https://www.cnki.com.cn/Article/CJFDTotal-TPYX202101002.htm (accessed Sept. 7, 2022).

^{81 &}quot;网络战已经不是我们想不想打, 而是到了不得不接招的时候."

⁸² See for instance, "Striding Forward from a Cyber Power to a Cyber Great Power" (从网络大国向网络强国阔步迈进), *People's Daily* (人民日报), Page 4, Aug. 20, 2022, <u>http://paper.people.com.cn/rmrb/html/2022-08/20/nw.D110000renmrb 20220820 1-04.htm</u> (accessed Sept. 7, 2022).



Figure 7: Central Committee considers Cyber Great Power. Two classified Central Committee documents (dated April 3, 2013 and July 28, 2013) describe Zheng Bijian's recommendation to the Central Committee that China must become a world class Cyber Great Power within 10 years or risk U.S. containment in cyberspace.

Zheng Bijian's proposal on Cyber Great Power was considered by the Central Committee in August 2013, and then publicly accepted by Xi Jinping in February 2014 when he called for China to achieve Cyber Great Power status during the first meeting of the newly formed Central Leading Group for Cybersecurity and Informatization.83 As the term Cyber Great Power evolved, and particularly following the 18th Party Congress in November 2012, Xi would consistently frame his vision for Cyber Great Power in terms of (1) ensuring cyber security, (2) mastering core technologies, (3) collecting cyber talent, (4) "clearing cyberspace" (a party euphemism for ensuring that online content is positive and uncritical toward the regime), ⁸⁴ and (5) strengthening international cooperation.⁸⁵ In addition, although still nearly a decade away from being linked together publicly in a strategic framework, Digital China and Cyber Great Power were already commonly rooted in an understanding of the essential role New Type Infrastructure (the construction of new digital digital infrastructure and transformation of traditional infrastructure on a national scale) would

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play in enabling each other, even before that new term-of-art had emerged. More importantly, Xi's vision of China as a Cyber Great Power, an idea limited at first to the cyber domain, would later expand into a core enabler of other strategic domains as well as the party's vision for a Digital China.

⁸³ "Xi Jinping: Build Our Country from a Cyber Power to a Cyber Great Power" (习近平: 把我国从网络大国建设成为网络强国), Xinhua Online (新华 网), Feb. 27, 2014,

https://wordpress.com/page/digitalchinawinsthefuture.com/1737 (accessed Sept. 7, 2022).

⁸⁴ Thanks to the China Media Project for this concise and useful definition. See, "The CMP Dictionary: Comprehensive Cyber Governance System," *China Media Project*, May 01, 2021,

https://chinamediaproject.org/the_ccp_dictionary/comprehensive-cyber-governance-system/ (accessed Sept. 7, 2022).

⁸⁵ See for instance, "Excerpts from Xi Jinping's Brilliant Expositions on Cyber Great Power Strategy Since 18th Party Congress" (十八大以来习近平 关于网络强国战略的精彩论述摘编), *People's Daily Online* (人民网), April 21, 2018, <u>http://cpc.people.com.cn/xuexi/n1/2018/0421/c385474-29941405.html</u> (accessed Sept. 7, 2022).

<u>Xi's Journey: From Fujian Province to Modernized</u> <u>Socialist Great Power</u>

Technology is the key, and information is the soul. Not paying attention to informatization work is like a blind man riding a blind horse into a deep pool in the middle of the night..."⁸⁶

> Xi Jinping Party Secretary Zhengding County, Hebei Province Circa March 1982

The basic concepts underlying Digital China originated over a decade earlier than Cyber Great Power and were in support of significantly different goals. While Cyber Great Power's origins are competitive and centered on cyberspace, Digital China grew out of transformative efforts early in Xi Jinping's career to improve local governance and increase economic performance through the application of new information technologies, in essence China's earliest experiments in e-government. According to state-run media, Xi's first informatized effort was "Digital Fujian," launched in 2000 when he was governor and deputy party secretary of that province. This is why Fujian is often described by state-run media as the "ideological origin and practical starting point" 87 of Digital China. 88 Xi's

- ** "思想源头和实践起点," literally the "the source of ideas and starting point for practice." However, the origin of this phrase at the time it was most prevalent in state-run media (2018-2019) was the opening remarks at the 1* Digital China Summit in April 2018, where Xi Jinping's "thought" on the construction of Digital China was described as an "important component of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era," hence the translation "ideological origin" rather than "source of ideas" to better reflect the original intent. The phrase "思想源头和实践起点" continues to appear in party theoretical journals in relation to Digital Fujian, albeit less frequently, see for instance, "This Important Thought has Five Distinctive Features" (这一重要思想具有五个
- 鲜明特征), Seeking Truth Online (求是网), Aug. 20, 2022,

<u>http://www.qstheory.cn/laigao/ycjx/2022-08/20/c 1128931069.htm</u>. ⁸⁸ See for instance, "'Digital China—Practical Beginnings' Exhibition Hall Well Received by Visitors" ("数字中国·实践起点"展厅受参观者欢迎), second effort, his "far-sighted strategic plan" to launch "Digital Zhejiang" in 2003 when he was party secretary of that province, is now used to support Zhejiang's claim that it is the home of Beijing's earliest practical efforts at "informatized industrialization," ⁸⁹ now a national level priority. More important, though, is what these two locations have in common.

It was Xi Jinping's "profound insight, keen judgement and theoretical creativity as a Marxist politician, thinker, and strategist" that allowed him to see the opportunity presented by the global technological revolution and "draw the grand blueprint of Digital China."90 Just as important, Xi's experiences in Fujian and Zhejiang showed him that building Digital China also presented a parallel opportunity to "uphold and strengthen the party's overall leadership"91 in the digital age. When party leaders today highlight the ideological origin of Digital China or the first practical efforts at informatization, they are not only pointing to digital infrastructure, but to Xi's views on the opportunity that digital technology offers to maintain party leadership, transform society, and modernize socialism. In practical terms, during national informatization, the party maintains its leadership position over socialist modernization by "promoting" two additional terms-of-art that are either attributed to or closely associated with Xi himself: "digitalized reform" (数字化改革)⁹² and "digitalized development" (数字化发展).93

Comprehensively Promote Digitalized Reform"(以习近平总书记重要论述 为指引 全方位纵深推进数字化改革), Study Times (学习时报), May 18, 2022,

https://news.hangzhou.com.cn/zjnews/content/2022-05/18/content_8257115.htm (accessed Sept. 8, 2022). Yuan Jiajun is Party

Secretary of Zhejiang province.

化改革), Study Times (学习时报), May 18, 2022,

https://news.hangzhou.com.cn/zjnews/content/2022-05/18/content 8257115.htm (accessed Sept. 8, 2022). Yuan Jiajun is the Party Secretary of Zhejiang province.

化改革), Study Times (学习时报), May 18, 2022.

⁸⁶ "General Secretary Xi Jinping Guides the Development of Our Country's Informatization" (习近平总书记指引我国信息化发展纪实), *China Cyberspace* (中国网信), June 8, 2022,

<u>http://news.jcrb.com/jsxw/2022/202206/t20220608_2410797.html</u> (accessed Sept. 13, 2022).

Fujian Daily (福州日报), July 1, 2022, <u>https://fz.fjsen.com/2022-</u> <u>07/01/content_31074534.htm</u> (accessed Sept. 13, 2022).

⁸⁹ Xi is credited with originating the phrase "drive industrialization with informatization, promote informatization with industrialization" (以信息化 带动工业化,以工业化促进信息化) while serving in Zhejiang. "General Secretary Xi Jinping Guides the Development of Our Country's

Informatization"(习近平总书记指引我国信息化发展纪实), *China Cyberspace*(中国网信), June 8, 2022.

<u>http://news.jcrb.com/jsxw/2022/202206/t20220608_2410797.html</u> (accessed Sept. 13, 2022).

²⁰ "数字中国的宏伟蓝图" Yuan Jiajun (袁家军), "Guided by General Secretary Xi Jinping's Important Expositions To Deeply and

⁹¹ See for instance, Yuan Jiajun (袁家军), "Guided by General Secretary Xi Jinping's Important Expositions To Deeply and Comprehensively Promote Digitalized Reform" (以习近平总书记重要论述为指引 全方位纵深推进数字

⁹² Yuan Jiajun (袁家军), "Guided by General Secretary Xi Jinping's Important Expositions To Deeply and Comprehensively Promote Digitalized Reform"(以习近平总书记重要论述为指引 全方位纵深推进数字

⁹³ An entire section (Section 5) of the 14th Five-Year Plan is titled, "Accelerate Digitalized Development and Build Digital China," the topic of a commentary written by then governor of Guangdong province Ma

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Like the party capture of the terms "informatization" and "modernization," the English translation "digitalized" does not adequately convey its significance when linked to the theoretically rich terms "reform"⁹⁴ and "development"⁹⁵ (see Figure 8). This is not simply technology-enabled development or technology-enabled reform, but the digital transformation of the party's long-held theoretical paths for reform and development. Although Digital China is the "overall" strategy for informatized development, it is the digitally transformed paths it helps create that provide the "powerful digital impetus" to national rejuvenation. A "Modernized Socialist Great Power" rises from a digitally transformed and sinicized model of Marxism, not simply from new digital technologies.

Ideological changes as grand as these require a leader as large as the new ideas. Creating that leader has been a propaganda focus of state-run media since Xi's elevation to general secretary in 2012. While Xi's technical efforts on information technology in Fujian and Zhejiang undoubtedly occurred, as evidenced in the many public readouts from that period, the party's propaganda efforts have focused on highlighting and enhancing his personal tie to Digital China's origins. For instance, then-governor Xi Jinping adopted the concept for "Digital Fujian" in 2000 from a proposal provided to him by Wang Qinmin, then-vice president of Fuzhou University.96 That same academic eventually rose to be a senior official in the central government and continues to write on Digital China.97 However, one would be hard pressed to find more than a handful of scattered media reports identifying Wang Qinmin, not Xi Jinping, as the earliest thinker on Digital China. Taking it one step further, some media reports now date Xi's earliest digital thoughts to the 1980s, 98 challenging the existing record that Deng Xiaoping was the party's first informatized thinker. 99 The



Figure 8: Unpacking Communist Party Terminology: Reform and Development in the Digital Age. This list represents a best effort to find the current center of gravity for the party's specialized use of digital terminology used in this paper.

Xingrui in the party theoretical journal *Seeking Truth*. Ma Xingrui (马兴瑞) "Accelerate Digitalized Development" (加快数字化发展), *Seeking Truth* (求 是), Jan. 25, 2021, <u>https://theory.gmw.cn/2021-01/25/content_34569312.htm</u> (accessed July 1, 2022). continuous renewal of things." <u>https://baike.baidu.com/item/发展/32354</u> (accessed Oct. 8, 2022).

⁹⁴ According to the Baidu encyclopedia, "Reform, a Chinese word, means change and innovation. It now often refers to changing the old system, the old things. Because it makes partial or fundamental adjustments to the old relations of production and superstructure, reform is a powerful driving force for social development. Reform generally includes the improvement and innovation of politics, society, culture, and economy. Compared with revolution, which overthrows the original regime in an extreme way, to achieve the purpose of changing the status quo, reform refers to the implementation of changes within the existing political system. Usually, the success of a reform will affect the fate of a country. If it succeeds, the country can move towards stability. If it fails, it may lead to civil strife or conflict." <u>https://baike.baidu.com/item/改革/32278</u> (accessed Oct. 8, 2022).
⁹⁵ According to the Baidu encyclopedia, "Development, a Chinese word, means a process of progress and change from the birth of things, it is the

^{** &}quot;Digital Fujian is the Ideological Source of Digital China" (数字福建是数 字中国的思想源头), *Guangming Daily* (光明日报), Page 1, April 23, 2018, <u>https://epaper.gmw.cn/gmrb/html/2018-</u>

<u>04/23/nw.D110000gmrb 20180423 6-01.htm</u> (accessed July 10, 2022). ⁹⁷ Wang Qinmin (王钦敏), "Discussing the Three Main Visions for Digital China Development" (畅谈数字中国发展的三大愿景), *SINA.com Science and Technology* (新浪科技), Dec. 17, 2015, <u>http://tech.sina.com.cn/i/2015-12-</u> <u>17/doc-ifxmttcn4935207.shtml</u> (accessed Sept. 7, 2022). When this article was written, Wang served as vice chairman of the National Committee of the Chinese People's Political Consultative Conference, and chairman of the All-China Federation of Industry and Commerce.

⁹⁸ "General Secretary Xi Jinping Guides the Development of Our Country's Informatization," *China Cyberspace* (中国网信), June 8, 2022.

 $^{^{\}rm 99}$ Qu Weizhi, China's Path to Informatization.

nearly continuous state-run media message on Xi's digital credentials was aptly summarized in a 2018 China Central Television headline: "When it comes to building 'Digital China,' Xi Jinping knows it all by heart."¹⁰⁰



Figure 9: Governor Xi Drives Digital Fujian

In March 2002 Xi Jinping, then Fujian deputy party secretary and governor, received a briefing on Digital Fujian at the Fujian Spatial Information Engineering Research Center, a startup he created and an early example of Xi's later emphasis on the circular relationship between innovation and digital transformation.¹⁰¹

¹⁰⁰ "When it comes to building "Digital China," Xi Jinping knows it by heart." (建设"数字中国," 习近平早已心中有"数"), China Central Television News (央视新闻), April 21, 2018,

<u>https://www.chinanews.com.cn/m/gn/2018/04-21/8496778.shtml</u> (accessed Aug. 26, 2022). Note also, a clever turn of the Chinese phrase "心中有数" by China Central Television editors.

¹⁰¹ "The Digital Love Affair between Xi Jinping and Fujian," (习近平与福建的数字情缘), CCTV.com, April 23, 2018,

https://news.cctv.com/2018/04/23/ARTIDVcojOp6GLOwA1l0gf3A180423.s html (accessed Sept. 13, 2022).

A Digital Grand Strategy Emerges

"From Digital Fujian to Digital China, General Secretary Xi Jinping's strategic thinking on building an informatized China has been consistent, in one continuous line, and highly connected to thought and theory." 102

> *Guangming Daily* Page One April 23, 2018

The term Digital China would undergo considerable evolution from Xi's first mention of it during his keynote address to the Second World Internet Conference at Wuzhen in December 2015.¹⁰³ The public unveiling of the term Digital China generated mostly avoidable confusion both inside and outside China.¹⁰⁴ During his December 2015 speech, Xi noted only that an initiative to build Digital China had been launched without further clarification. Although his speech did lightly tie the term Digital China to the government's new Internet Plus Action Plan, 105 the association was unremarkable. Despite some PRC domestic media reports that highlighted the term Digital China following his speech,¹⁰⁶ the concept's future importance was largely lost to the public, both domestic and international. Much greater media attention was directed at the Internet Plus plan itself,107 and not surprisingly also to Xi's breakdown of his vision for global cyber governance,¹⁰⁸ the core of Zheng Bijian's recently approved concept of Cyber Great Power.

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When the two terms, Cyber Great Power and Digital China, appeared for the first time together in the 13th Five-Year Plan published in March 2016, domestic interest in Digital China began to climb. Surprisingly, the growing interest was not met with additional information. There were no PRC media explanations of the pairing beyond their own proximity to each other, confirming one prevailing view that the terms overlapped considerably in meaning and use. But since Cyber Great Power appeared first in the pairing, seemingly indicating more than a supporting role, domestic media outlets could comfortably continue to focus on it.

Global audiences were less fortunate. Continuing the pattern of either neglect or obfuscation in PRC English-language translations of the party's digital strategies, Cyber Great Power and Digital China were simply erased from the official English-language translation of the 13th Five-Year Plan. Section Six of the 13th Five-Year Plan opens with a call to "...implement Cyber Great Power Strategy and accelerate building Digital China..." In the official English-language translation of the Plan, the same phrases are translated as "...implement the national cyber development strategy and accelerate the development of digital technology ... " The original Chinese is specific, but the English translation is not, and is only lightly related to the original Chinese meaning. Whatever the cause, Digital China would stay off Western radar screens for another year.

¹⁰² "Digital Fujian is the Ideological Source of Digital China," *Guangming Daily*, April 23, 2018.

¹⁰³ "Remarks by H.E. Xi Jinping President of the People's Republic of China at the Opening Ceremony of the Second World Internet Conference," *PRC Ministry of Foreign Affairs*, Dec. 16, 2015,

https://www.fmprc.gov.cn/mfa eng/wjdt 665385/zyjh 665391/t1327570.sht ml (accessed Sept. 13, 2022).

¹⁰⁴ Any confusion is due to others, not Xi. Xi is often credited with

personally bringing public and strategic clarity to his thinking on *Digital China*. "数字福建到数字中国,习近平总书记建设信息化中国的战略思想一

以贯之, 一脉相承, 在思想上、理念上高度关联." See, "General Secretary Xi

Jinping Guides the Development of Our Country's Informatization" (习近 平总书记指引我国信息化发展纪实), China Cyberspace (中国网信), June 8, 2022.

<u>http://news.jcrb.com/jsxw/2022/202206/t20220608_2410797.html</u> (accessed Sept. 13, 2022).

¹⁰⁵ China's Internet Plus Action Plan was first introduced in Premier Li Keqiang's 2015 Government Work Report during March the same year: "We will develop the Internet Plus Action Plan to integrate the mobile Internet, cloud computing, big data, and the Internet of Things with

modern manufacturing, to encourage the healthy development of ecommerce, industrial networks, and Internet banking, and to guide Internet-based companies to increase their presence in the international market." See, Li Keqiang, "Report on the Work of the Government (2015)," *PRC State Council*, March 5, 2015,

http://english.www.gov.cn/archive/publications/2015/03/05/content 281475 066179954.htm (accessed Sept. 13, 2022).

¹⁰⁶ See for instance. "'Internet Plus' Lights Up New Engine of China's Economic Development" ('互联网+'点亮中国经济发展的新引擎), China

Daily Online (中国日报网), Dec. 16, 2015,

http://china.chinadaily.com.cn/2015-12/16/content 22727719.htm (accessed Sept. 13, 2022).

¹⁰⁷ See for instance, Shaun Brodie, "Internet+ turning into a buzzword in China," *South China Morning Post*, Dec. 14, 2015,

https://www.scmp.com/property/article/1889756/internet-turningbuzzword-china (accessed Sept. 13, 2022).

¹⁰⁸ David Bandurski, "China's Cyber-Diplomacy," China Media Project, Dec. 21, 2015, <u>https://medium.com/china-media-project/china-s-cyber-diplomacy-b4fa20a210f</u> (accessed Sept. 13, 2022).



Figure 10: Digital Grand Strategies Emerge Slowly, and Awkwardly A July 2016 Xinhua teaching graphic on "informatized development," published following the release of the "Outline of the National Informatization Development Strategy in July 2016," has no references to Digital China (the 2016 Outline itself only had one reference). Reflecting a strategy and theoretical construct still in evolution, the graphic highlights "informatization drives modernization" as the "one main line," but in mid-2016 still identifies "Building a Cyber Great Power" as the "basic objective."¹⁰⁹

All of this would begin to change, albeit slowly, following the 19th Party Congress in October 2017. Although Xi Jinping would raise the term Digital China for the first time in a party congress political report - still a key milestone and the event some party commentaries cite as the moment Digital China became a national strategy - the reference seemed unremarkable on the surface. In a section of the political report highlighting the importance of innovation, Xi noted its key role in supporting the realization of China's great power ambitions in a number of domains including science and technology, quality, aerospace, cyber, transportation, and Digital China and Smart Society.¹¹⁰ In a single stroke, Xi seemingly disconnected Digital China from Cyber Great Power, while adding the new but unexplained term-of-art Smart Society, a topic in part three of this series, to the longer list. At the same time, Xi simultaneously elevated the status of both Digital China and Smart Society, but seemingly as two goals among equals. The media reaction was unsurprising. Smart Society was only lightly touched on in media commentaries, and the new characterization of Digital China generated confusion, even among experts.

This is not to suggest that Xi's work on Digital China only began in earnest in 2017. PRC state-run media frequently highlights that Xi Jinping made the "major strategic decision" to build Digital China soon after the 18th Party Congress in 2012, repeating the same language he used to launch Digital Fujian in 2000. Yet the first glimpse of underlying party efforts to elevate the term did not appear until the 13th Five-Year Plan in March 2016, with the first official use of Digital China in the Chinese language version of the Plan, albeit without further clarification.¹¹¹ The important change that occurred with its mention in the October 2017 party congress political report did suggest that something was happening under the surface and actions by the party's propaganda apparatus appeared to confirm it.

Over the next three and a half years, a party effort to redefine the concept Digital China as both a nationallevel strategy and the end state for a new informatized vision of China took the forefront. This was needed to explain and consolidate Xi's vision to digitally transform China to both the party and a sometimes-skeptical PRC public. 112 Notably, Xi's vision for Digital China also required adapting Marxist theory for the digital age. One synchronizing change that took place during this period, and a topic in part three of this series, was the revision of Marxist economic theory to add data as a factor of production. Although mostly overlooked by Western media atthe time, this revision of theory would become a key and nearly continuous point of emphasis across PRC state-run media outlets. The focus was not only on the importance of the revision itself but also the clearer and more prominent role that data was beginning to play in the design of the Digital China strategy.

But without further information from the party leadership, even Chinese academic experts were forced to guess what the increased media attention meant. In one case, a Renmin University finance professor devised a system of word counts from Xi

Digitalization Series 3"(数字化过后,又怎么样? | 重新思考数字化系列之

三), Economic Observer Online (经济观察网) April 19, 2021,

http://www.eeo.com.cn/2021/0419/485351.shtml (accessed Sept. 13, 2022).

¹⁰⁹ Notably, the graphic highlights the relationship between informatization and national rejuvenation in the upper right corner: "Let informatization benefit the society and benefit the people, and lay a solid foundation for the realization of the Chinese Dream of the Great Rejuvenation of the Chinese Nation." See <u>https://china.chinadaily.com.cn/gjxxhzl/2016-07/29/content_26266913.htm</u> (accessed Oct. 8, 2022).

¹¹⁰ In the continuing pattern of poor English-language translations of China's digital strategy, the official English-language translation of this sentence in the 19th Party Congress Political Report was rendered: "These efforts will provide powerful support for building China's strength in science and technology, product quality, aerospace, cyberspace, and transportation; and for building a digital China and a smart society." Although Digital China appeared in English, the great power ambitions tied to other goals in the list disappeared in translation. See, Xi Jinping.

[&]quot;Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era," Xinhua, Nov. 11, 2017,

http://www.xinhuanet.com/english/download/Xi Jinping's report at 19th _CPC National Congress.pdf (accessed Sept. 13, 2022).

¹¹¹ Discussion of digital infrastructure categories that would later be labeled New Type Infrastructure was more advanced in the 13th Five-Year Plan, although the term-of-art New Type Infrastructure had not yet appeared.
¹¹² See for instance, "What Happens after Digitalization? Rethinking

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Jinping's speeches to conclude simply that Digital China was "closely related to big data." 113 Vague conclusions like this were hard to avoid. State-run media often highlighted Xi's personal interest in data and big data particularly as it related to Digital Fujian and Digital China, but with no further explanation. For example, the term Digital China appeared on the front page of People's Daily for the first time on Dec. 10, 2017, in a report on the Xi Jinping-led Politburo Study Session on China's "National Big Data Strategy." 114 This is the first media inkling of the importance data would later play in the development of new party theory on digital transformation and the Digital China concept it would underlie. But little additional explanation on Digital China was provided in the study session readout, apart from being listed behind China's 2015 National Big Data Strategy ¹¹⁵ in both the title and article. ¹¹⁶ More important though, a single line attributed to Xi Jinping at the study session, little remarked on at the time, would later come to define the core focus of Digital China: "Accelerate building Digital China to better serve our country's economic and social development and for the improvement of people's lives."117



Figure 11: Digital China: Might be the First Time Heard for Some. A screenshot from a Central China Television report on Xi Jinping's December 2017 Politburo Study Session on China's National Big Data Strategy. The caption repeats the page one headline in People's Daily on Dec. 10, 2017: "At the Politburo's Second Group Study Session, Xi Jinping emphasized, 'Judge the situation, plan carefully, adopt a future-oriented arrangement, seek the initiative, implement the National Big Data Strategy, and accelerate building Digital China.'"

China" (以大数据, 数字中国方式深化机构改革); Renmin University

¹¹³ To be fair, this professor had little context apart from Xi Jinping's seemingly personal interest in both Big Data and *Digital China*, and that each term sometimes appeared publicly in proximity to each other. See, Liu Yushu (刘玉书), "Deepen Institutional Reform with Big Data and Digital

Chongyang Institute for Financial Studies WeChat (人大重阳微信), Nov. 22, 2018, <u>https://youwuqiong.top/56619.html</u> (accessed Sept. 13, 2022). ¹¹⁴ The article followed a Politburo Study Session chaired by Xi Jinping on Dec. 8 which addressed the topic of China's *National Big Data Strategy*, first launched in October 2015 at the Fifth Plenary of the 18th Central Committee. At this same study session, Xi Jinping raised constructing a digital economy with data as a key factor of production. See, "At the Politburo's Second Collective Study, Xi Jinping Emphasized Examining the Situation, Carefully Planning Ahead, and Striving To Take the Initiative; and Implementing National Big Data Strategy and Accelerating Building Digital China" (习近平在中共中央政治局第二次集体学习时强调,审时度势 精心谋划超前布局力争主动,实施国家大数据战略加快建设数字中国),

People's Daily (人民日报), Page 1, Dec. 10, 2017,

<u>http://politics.people.com.cn/n1/2017/1210/c1024-29696388.html</u> (accessed Sept. 13, 2022).

¹¹⁵ Xi Jinping first raised constructing a digital economy with data as the key "factor of production" at a Politburo Study Session in December 2017, several analysts reported the importance of this event, Leon Clarke, "Data; The 5th factor of production," Linked-in, December 15, 2020.

¹¹⁶ There were some exceptions to this rule in state-run commentary at this time, reflecting a view of *Digital China* that would become the standard within several years. For instance, a Dec. 4, 2017 article in *People's Daily Online* titled "What Has Digital China Changed?" offered the view that "After several years of leapfrog development, 'Digital China' is no longer just an economic concept, but also permeates every aspect of social development." See, "What has "Digital China' Changed?" (数字中国'改变

了什么?), People's Daily Online (人民网), Dec. 4, 2017,

<u>http://it.people.com.cn/n1/2017/1204/c1009-29683041.html</u> (accessed Sept. 13, 2022).

¹¹⁷ "...加快建设数字中国,更好服务我国经济社会发展和人民生活改善." "At the Politburo's Second Collective Study, Xi Jinping Emphasized Examining the Situation, Carefully Planning Ahead, and Striving To Take the Initiative; and Implementing National Big Data Strategy and Accelerating Building Digital China" (习近平在中共中央政治局第二次集体学习时强调, 审时度势精心谋划超前布局力争主动,实施国家大数据战略加快建设数字中 国), People's Daily (人民日报), Page 1, Dec. 10, 2017,

Digital China becomes the Party's Vision

"The 19th Party Congress described the grand blueprint for... starting a new journey to build a modernized socialist country in all respects and to realize the Great Rejuvenation of the Chinese Nation, and made strategic plans to build a Cyber Great Power, a Digital China, and a Smart Society."¹¹⁸

Xi Jinping Congratulatory Letter to the First Digital China Summit Fuzhou, Fujian Province April 22, 2018

By the beginning of 2018, a focused, party-led education and propaganda campaign designed to elevate and clarify the term Digital China began to take shape,¹¹⁹ opening with the first mention of the term Digital China in a State Council government work report.¹²⁰ On March 5, 2018, Premier Li Keqiang delivered the 2018 Government Work Report at the First Session of the 13th National People's Congress. In the report, Li highlighted government efforts to expand broadband access and lower internet rates throughout the country. Li noted that these steps "will bring tangible benefits to people and businesses, and boost building Digital China and a Cyber Great Power."¹²¹ In a break from the norm at the time, the term Digital China appeared in the lead position in both the official English and Chinese translations of the work report. But continuing the pattern of

imprecise or inaccurate translation of terms-of-art relating to the party's digital strategies, Cyber Great Power was translated in the official English version of the work report as simply "a leader in cyberspace."

The first Digital China Summit was held shortly thereafter in Fuzhou, Fujian Province in April 2018. The location was not accidental. PRC media were now emphasizing Xi Jinping's personal role in implementing Digital Fujian as a strategy in this same city nearly a decade earlier. This narrative would serve to connect him personally with the event and "Drive modernization its purpose: with informatization and accelerate building Digital China."122 In his congratulatory letter to the summit, reprinted on page one of the party mouthpiece People's Daily on opening day, and mirrored on the front page of other key newspapers including PLA Daily and Guangming Daily, Xi left little doubt that the strategy was his, how it would be structured, and what the party's leading role would be. Also significant, this was just the second time that Xi publicly highlighted the new triad "Cyber Great Power, Digital China, Smart Society" in public. 123 Cadre across the country should by now have fully understood his digital direction and expectations, and for those that still did not, Xi repeated the new triad in his congratulatory letter to the China International Big Data Expo in Guiyang on May 26, 2018, similarly printed on page one of People's Daily.¹²⁴ Notably, the letter also pointed to the major role big data would play in the Digital China strategy as it continued to evolve.

Finally, 2018 marks the beginning of a leap in the availability of books, magazines, commentaries, and

<u>http://cpc.people.com.cn/n1/2018/0527/c64094-30015847.html</u> (accessed Sept. 14, 2022).

¹¹⁸ "党的十九大描绘了决胜全面建成小康社会、开启全面建设社会主义现代化 国家新征程、实现中华民族伟大复兴的宏伟蓝图,对建设网络强国、数字中 国、智慧社会作出战略部署。加快数字中国建设,就是要适应我国发展新的历 史方位,全面贯彻新发展理念,以信息化培育新动能,用新动能推动新发 展,以新发展创造新辉煌." See,"Xi Jinping Sends Letter to Congratulate Opening of the First Digital China Summit; Emphasizes Cultivating New Momentum with Informatization, Using New Momentum to Promote New Development, and Creating New Brilliance with New Development"(习近 平致信祝贺首届数字中国建设峰会开幕强调;以信息化培育新动能 用新动能 推动新发展 以新发展创造新辉煌), People's Daily, p.1 (人民日报), April 23, 2018, http://media.people.com.cn/n1/2018/0423/c40606-29942279.html (accessed Sept. 14, 2022)."

¹¹⁹ As will be described in part three of this paper, this campaign emerged concurrently with the first public appearance of Party deliberations in 2017 and then a decision in 2019 to designate data as a factor of production in Marxist economic theory.

¹²⁰ The term Digital China would not appear again in the annual government work report until 2021 and 2022, in line with the prominence the term had in the 14th Five-Year Plan. *New Type Infrastructure* first appeared in a government work report in 2020 and then reappeared in 2021 and 2022.

¹²¹ Li Keqiang (李克强), "Government Work Report" (政府工作报告),

Xinhua (新华社), March 22, 2018, <u>http://www.gov.cn/premier/2018-03/22/content_5276608.htm</u> (accessed Sept. 13, 2022).

 ¹²² "The 1st Digital China Summit," Xinhua Online, April 22, 2018.
 ¹²³ "Xi Jinping Sends Letter to Congratulate Opening of the First Digital China Summit; Emphasizes Cultivating New Momentum with Informatization, Using New Momentum to Promote New Development, and Creating New Brilliance with New Development," *People's Daily*, April 23, 2018.

¹²⁴ "China attaches great importance to the development of big data. We adhere to the development concept of innovation, coordination, green, openness and sharing, and focus on building a Cyber Great Power, a Digital China, and a Smart Society, and fully implementing the National Big Data Strategy to help China's economy shift from high-speed growth to high-quality development" (中国高度重视大数据发展. 我们秉持创新、协调、绿色、开放、共享的发展理念,围绕建设网络强国、数字中国、智慧社会,全面实施国家大数据战略,助力中国经济从高速增长转向高质量发展.) See, "Xi Jinping's Congratulatory Letter to the 2018 China International Big Data Industry Expo," (习近平向 2018 中国国际大数据产业博览会致贺信), People's Daily (人民日报), Page One, May 27, 2018,

teaching aids on the Digital China strategy. Emphasizing what had by now become the primary message, the publications commonly highlighted Digital China's strong personal tie to Xi and emphasized his original thinking on informatization. For anyone following the news in China, it was common knowledge that Xi Jinping "drew the blueprint for Digital China" while he served in Fujian, a time when "digitalization was still an unfamiliar concept to most people."¹²⁵



Figure 12: Data-Driven Systems for Innovation.

The cover of the inaugural August 2018 issue of the Digital China Construction Bulletin, published by the newly formed Digital China Research Institute. The director of the National Development and Reform Commission (NDRC) State Information Center, Cheng Xiaobo, opens the new publication by noting its role in education and collaboration in support of the Digital China strategy, and its focus on the exploration of data-driven systems for innovation and new models of Digital China construction.¹²⁶ Xi Jinping's April 2018 letter to the Digital China Summit is his earliest public guidance on the wider societal role he saw for Digital China. In the letter, Xi pointed to a goal for Digital China beyond technology, including links to Xi's new overall approach to economic development, the New Development Concept,¹²⁷ as well as China's path to national rejuvenation. Just as important, the letter described Digital China's comprehensive role in both creating and applying innovation, the most important of the New Development Concept's five principles. Reflecting the importance of Xi's letter, it remains one of the most cited PRC media sources to highlight the "great importance" Xi Jinping himself attaches to the concept of Digital China. Later PRC media reports further suggest that Xi's summit letter equates to or expands on his guidance on Digital China at the 19th Party Congress, later described as "officially advancing the strategic concept to Build Digital China," even though the public record at the time showed little evidence that Digital China was a focus of Xi's political report, at least externally.¹²⁸

Efforts to rewrite the historical record on Digital China were noticeable elsewhere during 2018. For example, the 2017 Digital China Construction Development Report, published by the Cyberspace Administration of China (CAC) in May 2018,¹²⁹ cites two official documents that clarified the "overall objective," goals, and timetable for Digital China construction: the Outline of the National Informatization Development Strategy published by the Central Committee and State Council in July

http://www.xinhuanet.com/politics/xxjxs/2019-10/24/c_1125144509.htm (accessed Oct. 6, 2022).

¹²⁵ "Digital Fujian is the Ideological Source of Digital China," *Guangming Daily*, April 23, 2018.

¹²⁶ The Digital China Research Institute is subordinate to the NDRC State Information Center. The full translation of Cheng Xiaobo excerpted "inaugural comments" opening the first Digital China Construction Bulletin cited in the figure follow: "Today, 18 years later, the rise from the "Digital Fujian" strategy to "Digital China" strategy is a vivid manifestation of the Party Central Committee with General Secretary Xi Jinping at its core not forgetting its original intention, determined to innovate, the vivid embodiment of forging ahead." (18 年后的今天, 从"数 字福建"战略上升到"数字中国"战略, 正是以习近平总书记为核心的党中央 不忘初心, 锐意创新, 砥砺前行的生动体现.) "Facing the future, the Digital China Research Institute will take the (Digital China Construction Bulletin) as the main propaganda front; always remain committed to the major requirements of the country in facing the main battlefield of national economic development and the frontier of innovation in digital science and technology; fully promote cooperation and opening up; seek diverse collaboration; use data as the link to facilitate the in-depth integration of government, industry, academia, R&D, finance, and applications; and propagandize, research, and explore data-driven systems for innovation and new models for Digital China construction." (面向未来, 数研院将以

⁽数字中国建设通讯)为宣传主阵地,始终坚持面向国家重大需求,面向 国民经济发展主战场,面向数字科技创新前沿,全力推动合作开放,多元 协同,以数据为纽带促进政府,产业,学术,研发,金融,应用各项或的 深度融合,宣传,研究和探索数据驱动型创新体系和数字中国建设新模式.) ¹²⁷ The "New Development Concept" was introduced by Xi Jinping in 2015 as a new, overall approach to economic development based on a set of five principles the foremost of which was innovation. See, "Xi Jinping Explains the New Development Concept Like This," (习近平这样阐释新发展理念)," Xinhua Online (新华网), Oct. 24, 2019,

¹²⁸ See for instance, "People's Daily Full Page Discussion On 'Accelerating Building Digital China'" (人民日报整版讨论'加快建设数字中国') *People's Daily*, p.5 (人民日报), Aug. 19, 2018,

<u>http://politics.people.com.cn/n1/2018/0819/c1001-30236782.html</u> (accessed Sept. 14, 2022).

¹²⁹ "Cyberspace Administration of China Publishes the 2017 Digital China Construction Development Report" (国家互联网信息办公室发布《数字中国 建设发展报告(2017年)》), Cyberspace Administration of China (国家互联网信息办公室), May 9, 2018.

2016 130 and the 13th Five-Year Plan for National Informatization published by the State Council in December 2016.¹³¹ However, showing the substantial evolution in meaning that Digital China had undergone, now seemingly including the need to rewrite the history of past documents to support the new narrative, neither of these two documents had more than passing references to Digital China. The claim in the CAC report that Digital China's "overall objective" is identified in the 2016 Outline is at best a stretch, as the term is not mentioned in either document. The 2016 Outline only included a single reference to the high importance of accelerating Digital China in support of informatization on page 8 of the 17-page document. Similarly, the 2016 Plan only included a short list of the 2020 goals for Digital China construction on page 2 of the 16-page document.132 All this no longer mattered because the party narrative now emphasized that Xi Jinping's work on Digital China had preceded or superseded the party's existing work on informatization.



Figure 13: Xi Jinping's vision for an informatized China

In the run-up to the 1st Digital China Summit, a PRC state-run media teaching graphic begins with: "From Cyber Great Power to Digital China—Xi Jinping Charts the Course." This is one of the first pictorial representations of Digital China's elevation as Xi's vision for an informatized China.¹³³

¹³² Notably, one of these goals, obviously not reached based on the timeline given, was to "basically complete" an "internationally competitive, secure, and controllable" (国际竞争力、安全可控) Information Technology Industrial Ecosystem by 2020, later identified as one of *Digital China*'s three primary "means." (See Figure 2).

 ¹³³ "From Cyber Great Power to Digital China—Xi Jinping Charts the Course" (从网络强国到数字中国 习近平指明前进方向), Xinhua Online, 新华 网, April 19, 2018, <u>http://news.sina.com.cn/gov/xlxw/2018-04-19/docifzihnep7730575.shtml</u> (accessed Sept. 14, 2022).

¹³⁰ For an English-language translation of the outline see, "Outline of the National Informatization Development Strategy," *China Copyright and Media*, July 27, 2016.

¹³¹ "State Council Issued Document (2016) Number 73" (国发〔2016〕73 号), State Council Notification on Publication of the 13th Five Year Plan for National Informatization," (国务院关于印发十三五国家信息化规划的通知), State Council (国务院), Dec. 15, 2016,

http://www.gov.cn/zhengce/content/2016-12/27/content_5153411.htm (accessed Sept. 14, 2022).

Digital China Finds Its Ways: The Five-Sphere Integrated Plan

"As the new stage of informatization, the construction of Digital China is an important practice for overall planning and advancing the Five-Sphere Integrated Plan and the Four Comprehensives."¹³⁴

Liu Jianyi Principal Investigator, National Social Science Fund Key Point Project on National Big Data Strategy Implementation *Guangming Daily* June 1, 2018

Despite the 2017 Cyberspace Administration of Digital China China (CAC) Construction Development Report's effort to show evidence of historical continuity regarding Digital China, the same CAC report offered an unprecedented description of Digital China as the "new" strategy for national informatized development in the new era.135 Notably, the 2020 CAC report would later elevate this term and describe Digital China as the "overall" strategy for national informatized development in the new era.136 However, use of the word "new" in the 2017 report reinforced the party narrative that

Digital China, as a wider concept more in line with Xi's vision for an informatized China, had joined both the 2016 "Outline of the National Informatization Development Strategy" ¹³⁷ and the 2016 "13th Five-Year Plan for National Informatization," ¹³⁸ and as party narratives predicted, would open the 14th Five-Year Plan for National Informatization when it was published in December 2021. ¹³⁹ The new CAC description also reinforced the personal connection between Xi Jinping and Digital China, including timing publication of the 2017 CAC Digital China Construction Development Report to immediately follow the first Digital China Summit in Fuzhou, a forum that celebrated Xi's early Digital Fujian success.

Informal references to Digital China as a national strategy surfaced in PRC media one month prior to publication of the 2017 CAC report, but the report itself stands as the first official description of Digital China as a "national strategy." More striking is the 2017 report's sweeping description of the widening role of Digital China in national informatization. The report describes Digital China as a party imperative designed to "win the future" by "occupying the high ground of informatization,"140 a version of the same phrase that was trumpeted on the cover of Outlook Weekly magazine nearly four years later.141 Also, for the first time the report laid out the three major strategic missions of Digital China. Not surprisingly, these missions reflected an expansive role in national informatization for the Digital China strategy: (1)

141 See Figure 1.

¹³⁴ "作为信息化的新阶段,数字中国建设是统筹推进"五位一体"总体布局、协调推进"四个全面"战略布局的重要实践..." Liu Jianyi (刘建义), *Guangming*

Daily (光明日报), p.11, June 1, 2018,

https://epaper.gmw.cn/gmrb/html/2018-

<u>06/01/nw.D110000gmrb 20180601 3-11.htm</u> (accessed Oct. 13, 2022). For an excellent short summary on the Four Comprehensives, see David Bandurski, "The CMP Dictionary: Four Comprehensives," China Media Project, April 12, 2022

https://chinamediaproject.org/the_ccp_dictionary/four-comprehensives/ (accessed Oct. 13, 2022).

¹³⁵ "Cyberspace Administration of China Publishes the 2017 Digital China Construction Development Report," Cyberspace Administration of China, May 9, 2018.

¹³⁶ "新时代国家信息化发展的总体战略." See, "Cyberspace Administration

of China Publishes 2020 Digital China Development Report" (国家互联网信

息办公室发布《数字中国发展报告(2020年)》), Cyberspace Administration of China (国家互联网信息办公室), July 2, 2021,

<u>http://www.cac.gov.cn/2021-06/28/c_1626464503226700.htm</u> (accessed July 10, 2022).

¹³⁷ There is a single reference to Digital China in the 2016 Outline:

[&]quot;Accelerating the construction of Digital China and vigorously developing the information economy are the top priorities of informatization work." (加快建设数字中国、大力发展信息经济是信息化工作的重中之重). For an English-language translation of the outline see, "Outline of the National Informatization Development Strategy," China Copyright and Media, July 27, 2016.

¹³⁸ There is a single reference to Digital China in the 13th Five-Year Plan for National Informatization: "By 2020, the construction of "Digital China" will achieve remarkable results, the level of informatized development will leap

forward, informatized capabilities will rank among the top in the world, and an internationally competitive, secure, and controlled information industry ecosystem will be basically established." (到 2020年, "数字中国" 建设取得显著成效, 信息化发展水平大幅跃升, 信息化能力跻身国际前列, 具有国际竞争力、安全可控的信息产业生态体系基本建立). "State Council Issued Document (2016) Number 73" (国发〔2016〕73 号), State Council Notification on Publication of the 13th Five Year Plan for National Informatization," (国务院关于印发十三五国家信息化规划的通知), State Council (国务院), Dec. 15, 2016, http://www.gov.cn/zhengce/content/2016-12/27/content_5153411.htm (accessed Sept. 14, 2022). 139 The plan opens with the statement, "During the "14th Five-Year Plan" period, informatization is entering a new phase to Accelerate Digitalized Development and Build Digital China," ("十四五"时期, 信息化进入加快数 字化发展、建设数字中国的新阶段), which matches the language in the 14th Five-Year Plan published earlier the same year. See, "Cyberspace Administration of China Publishes "'14th Five-Year Plan' for National Informatization," (中央网络安全和信息化委员会印发《"十四五"国家信息化 规划》), Cyberspace Administration of China, Dec. 27, 2021, http://www.cac.gov.cn/2021-12/27/c_1642205312337636.htm (accessed Sept. 14, 2022). For a DigiChina translation of the plan, see Rogier Creemers, et al, "Translation: 14th Five-Year Plan for National Informatization-December 2021, DigiChina," Jan. 24, 2022, https://digichina.stanford.edu/work/translation-14th-five-year-plan-fornational-informatization-dec-2021/ (accessed Sept. 14, 2022). ¹⁴⁰ "谁在信息化上占据制高点 ... 赢得未来." "Cyberspace Administration of China Publishes the 2017 Digital China Construction Development Report," Cyberspace Administration of China, May 9, 2018.

capability enhancing the for informatized development, (2) raising the level of economic and social informatization, and (3) optimizing the developmental environment for informatization.¹⁴² The report further highlighted Digital China's responsibility for overall planning (统筹) of "Cyber Great Power Strategy," "National Big Data Strategy," and the "Internet Plus Action Plan."143 This planning responsibility was designed to integrate and concentrate (整合集中资源力量) the resources necessary for Digital China to focus on its six main directions of attack (六个主攻方向), each of these focused on the intersection of innovation and new ways of envisioning development.144

The most significant revelation in the 2017 CAC report was the connection it made between Digital China and the party's "Five-Sphere Integrated Plan" (五位一体).¹⁴⁵ This plan was first proposed at the 18th Party Congress in November 2012, and was the most recent expansion of the party's "overall scheme for China's development," a party concept dating back to the Sixth Plenum of 12th Party Congress in September 1986.¹⁴⁶ The Central Committee "with Xi Jinping as the core, coordinates the overall layout of the Five-Sphere Integrated Plan as an organic whole, integrating economic construction, political construction, cultural construction, social construction, and ecological construction." 147 In the new digital age, construction of Digital China "must also focus on and serve the Five-Sphere Integrated Plan, building China into a Modernized Socialist Great Power by coordinating and advancing digital

¹⁴⁴ Paraphrasing for clarity, the six directions were: new momentum through innovative talent, new patterns through balanced development, new models through green development, new space through opening-up and cooperation, new dividends through shared construction, and new foundations through lower risk. "...着力引领创新驱动培育发展新动能,着力促进均衡发展优化发展新格局,着力支撑绿色发展构建发展新模式,着力 深化开放合作拓展发展新空间,着力推动共建共享释放发展新红利,着力防范风险夯实发展新基石..." See, "Cyberspace Administration of China

Administration of China (国家互联网信息办公室), May 9, 2018.

economy, digital society, digital government, digital culture, and digital ecology."¹⁴⁸



Figure 14: Digital Transformation of the Five-Sphere Integrated Plan. A Digital China Research Institute teaching graphic from December 2018 templating Digital China against the Five-Sphere Integrated Plan: Political, Economic, Social, Cultural, and Ecological.¹⁴⁹

Although the relationship between national informatization, digitally transforming the party's Five-Sphere Integrated Plan, and achieving national rejuvenation had been highlighted as early as the 2016 "Outline of the National Informatization Development Strategy," the 2017 CAC report provided the strongest evidence to date that a significant evolution had occurred in the party's theory on informatization and modernization. Reflecting the "great importance he attaches to the construction of Digital China," 150 Xi Jinping would later describe his theoretical "insight" in detail: "Digital technology is being fully integrated into all fields and the whole process of economy, politics, culture, society and ecological civilization construction [the Five Spheres] with new ideas, new

<u>10/29/content_68862031.htm</u> (accessed Sept. 14, 2022).

¹⁴⁷ "Coordinate and Promote the Five-Sphere Overall Layout" (统筹推进'五位一体'总体布局), *People's Daily Online* (人民网), Feb. 20, 2017,

¹⁴⁸ "Special Column on the Digital China Big Data Report" (数字中国大数据 报告专栏), State Information Center (国家信息中心), Dec. 11, 2018,

Institute (国家信息中心数字中国研究院), Dec. 11, 2018,

¹⁴² "...数字中国建设的三大战略着力、提升经济社会信息化水平、不断优化信息化发展环境..." Cyberspace Administration of China Publishes the 2017 Digital China Construction Development Report," Cyberspace

Administration of China, May 9, 2018.

¹⁴³ See, Li Keqiang, "Report on the Work of the Government (2015)," PRC State Council, March 5, 2015.

Publishes the 2017 Digital China Construction Development Report"(国家 互联网信息办公室发布《数字中国建设发展报告(2017年)》), Cyberspace

¹⁴⁵ Also translated as Five-Sphere Overall Layout, Five-in-One Integrated Plan, and Five-in-One Overall Layout. See, "Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era," Xinhua, March 17, 2018, <u>http://www.xinhuanet.com/english/2018-03/17/c 137046261.htm</u> (accessed Sept. 14, 2022). The same framework also has an international

application, introduced by Xi Jinping in 2015, used to measure Community of Common Destiny outcomes.

¹⁴⁶ See, "Five-Sphere Integrated Plan," China.org, Oct. 29, 2018, http://www.china.org.cn/english/china key words/2018-

<u>http://theory.people.com.cn/n1/2017/0210/c148980-29072607.html</u> (accessed Oct. 11, 2022).

http://www.sic.gov.cn/News/609/9739.htm (accessed Sept. 14, 2022). ¹⁴⁹ The Digital China Research Institute is subordinate to the National Development and Reform Commission (NDRC) State Information Center.

See, "Special Column on the Digital China Big Data Report" (数字中国大数 据报告专栏-第一期), NDRC State Information Center, Digital China

http://www.sic.gov.cn/News/609/9739.htm (accessed Sept. 14, 2022). ¹⁵⁰ "Strengthening the Digital Rule of Law to Escort Construction of Digital China" (加强数字法治 为数字中国建设保驾护航), People's Court Daily (人 民法院报), Nov. 11, 2021, https://www.workercn.cn/c/2021-11-01/6836617.shtml (accessed Oct. 13, 2022).

Digital China: The Strategy and Its Geopolitical Implications

forms, and new models, having extensive and profound impacts on the production and life of humankind." ¹⁵¹ Not a single party cadre who followed state-run media could have missed that Digital China had finally found its strategic "ways."¹⁵²

One party commentator would later call for treating Digital China holistically as a "system," comprehensive and complex whole composed of many interconnected parts.¹⁵³ As explained by party commentators, this system-level thinking about Digital China, an organic whole composed of a digitally-transformed economy, society, government, culture, and environment, would be necessary to create the digital ecosystem capable of meeting the sorts of challenges that will arise in the new digital age. Although unstated, the link between these new challenges and Zheng Bijian's concept of Cyber Great Power is unmistakable. Digital China, and the digital ecosystem necessary to face the new challenges posed by the digital age, would be built comprehensively from the bottom up, fully grasping the "latecomer's advantage" 154 offered by informatization, and fully seizing the strategic opportunity offered only "once in a lifetime."155 According to data scientists at Peking University developing mathematical models of grading China's progress in building a digital ecosystem, "the construction of Digital China has become a national strategy and creating an excellent digital ecosystem is an inherent requirement of that strategy."156

As the West begins to consider the enormous scope and ambition of Digital China, assessing it accurately is vital. Notably, assessing progress on building a capable digital ecosystem in support of Digital China's goals has quickly become a cottage industry inside China. Government think tanks, media outlets, and technology firms have all designed individual methods, models, and indices for tracking progress across all five spheres as well as each sphere's deeper

"Strengthening the Governance of Digitalized Development; Promoting the Construction of Digital China" (加强数字化发展治理 推进数字中国建设), *People's Daily* (人民日报), p.7, Feb. 15, 2022,

layers and components. Since the 19th Party Congress, a central focus of the Digital China strategy has been on designing, implementing, and evaluating the strategies, policies, and guidance necessary to steer nationwide implementation of each of the five spheres at the provincial level and below. While all five spheres have received Beijing's full attention, the initial and continued focus from the center remains on finding pathways to build a Digital Economy, a Digital Government, and a Digital Society, with varying degrees of success often discussed openly in party commentary. Local cadre and officials are driven to participate and develop competing solutions to national level guidance and asked to demonstrate success. It is not difficult to detect the winners and losers. The proliferation of data-driven visualizations, an outgrowth of the Digital Government sphere, seems designed to identify best practices for emulation and spur better performance in lagging areas.



Figure 15: Monitoring Digital China progress at the provincial and local level.

Screenshot from the Tencent Research Institute's live Digital China Index dated June 30, 2021, measuring progress by localities in reaching Digital China benchmarks in the Tencent defined areas of Digital Industry, Digital Culture, Digital Governance, and Digital Life.

To erase any lingering doubts about the scope of Xi's Digital China vision, the "new strategy for national informatized development in the new era" first described by CAC in 2018 was elevated to the

¹⁵⁵ Xi Jinping first used the phrase "once in a lifetime" at the 2018 National Cybersecurity and Informatization Work Conference. "General Secretary Xi Jinping Guides the Development of Our Country's Informatization. *China Cyberspace*, June 8, 2022.

¹⁵¹ The quote is drawn from Xi Jinping's congratulatory letter to the 2021 World Internet Conference (Wuzhen Summit) on Sept. 26, 2021. See, Chinese Academy of Cyberspace Studies (中国网络空间研究院),

<u>http://theory.people.com.cn/n1/2022/0215/c40531-32352143.html</u> (accessed Oct. 11, 2022).

¹⁵² See Figure 2.

¹⁵³ Liu Mixia (刘密霞), "Digital China Construction Requires Systemic Thinking" (数字中国建设需要系统思维), *Study Times* (学习时报), June 4, 2021, <u>http://theory.people.com.cn/n1/2021/0604/c40531-32122096.html</u> (accessed Sept. 14, 2022).

¹⁵⁴ Seizing the latecomer's advantage is an idea widest described in PRC media, see for instance, Justin Yifu Lin, "Advantage of being a latecomer," *China Daily*, Aug. 7, 2013, <u>http://www.china.org.cn/opinion/2013-</u>08/07/content 29646629.htm (accessed Oct. 13, 2022).

¹⁵⁶ Wang Juan et al (王娟), Measurement and Analysis of China's Digital Ecosystem (中国数字生态指数的测算与分析), E-Government (电子政务), January 2022,

https://www.math.pku.edu.cn/pzhang/en/publication/2022 zgszstzsdcsyfx /2022 ZGSZSTZSDCSYFX.pdf (accessed Oct. 13, 2022).

"overall strategy for national informatized development in the new era" in CAC's 2020 Digital China Development Report, published in July 2021.157 According to after-the-fact media reporting, in line with use of the term "overall," the concept of Digital China was expanded at the 19th Party Congress in October 2017 to encompass multiple categories of national informatization ranging from national-level technology efforts like Broadband China, Internet Plus, Big Data, Cloud Computing, and Artificial Intelligence to national-level societal and economic efforts like Digital Economy, e-Commerce, Smart Cities, and Digital Villages. 158 This evolution correlates with the completion of a "top-level design and framework" (顶层设计架) for Digital China by 2018, and the "basic completion" of a policy support system, at least for the strategy's Digital Economy sphere, by June 2019. The role of a top-level design as the party's bureaucratic organizer, defining and driving how Digital China would be accomplished mirrored PRC media portrayals of Digital China cataloging, coordinating, and accelerating national informatization efforts.

The scope and importance of Digital China grew once again with the publication of the 14th Five-Year Plan, published at the Fourth Session of the 13th National People's Congress in March 2021.¹⁵⁹ For the first time, Digital China was the lead topic for an entire section (篇) of a five-year plan,¹⁶⁰ a major upgrade from its single reference in the 13th Five-Year Plan, and a significant elevation highlighted by PRC state-run media. Just as important, PRC media described the section's title, "Accelerate Digitalized Development and Build Digital China," as a new party term-of-art and highlighted that the 14th Five-Year Plan had templated Digital China using the Five-Sphere Integrated Plan. Digitalized development, a standalone term-of-art itself describing digitalization of the Five-Sphere Integrated Plan, ¹⁶¹ was now "fundamental, guiding work" necessary to construct a Modernized Socialist Great Power, and a "strategic choice" to build national competitive advantage in the digitalized age. ¹⁶² The latest stage in strategy development was now complete. Although nothing less than a two-decade evolution in party theory was required, national rejuvenation had finally found form in Digital China.



Figure 16: The Implementation Plan for One of Digital China's Five Spheres: Digital Government

A historical timeline on informatization efforts in the government sphere leading up to the official launch of Digital Government in 2019. The timeline highlights China's progression from office automation (1980s), the initiation of the government online project (2000s), the initiation of e-government pilot demo projects (2002), formal activation of the central government web portal (2006), appearance of government microblogging and mobile applications (2009), the promotion of Internet Plus government services (2015), the 19th Party Congress political report launching construction of Digital China (2017), and 19th Central Committee Fourth Plenum launching the construction of Digital Government (2019).¹⁶³

 ¹⁵⁷ "Cyberspace Administration of China Publishes 2020 Digital China Development Report," Cyberspace Administration of China, July 2, 2021.
 ¹⁵⁸ See for instance, "什么是数字中国?如何建设数字中国?请看人邮记者解

析,"人民邮电报, April 16, 2018,

<u>http://tech.cnr.cn/techgd/20180416/t20180416_524200301.shtml</u> (accessed Oct. 13, 2022).

¹⁵⁹ "Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and Long Range Objectives Through 2035 of the People's Republic of China" (中华人民共和国国民经济和社会发展第十四个

五年规划和 2035 年远景目标纲要), Xinhua News Agency (新华社), March 13, 2021, <u>http://www.gov.cn/xinwen/2021-03/13/content 5592681.htm</u> (accessed Sept. 14, 2022). For a translation of the 14th Five-Year Plan, see Center for Security and Emerging Technology (CSET) Translation, May 13, 2021, <u>https://cset.georgetown.edu/publication/china-14th-five-year-plan/</u> (accessed Nov. 16, 2022).

¹⁶⁰ "Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and Long Range Objectives Through 2035 of the People's Republic of China" (中华人民共和国国民经济和社会发展第十四个

五年规划和 2035 年远景目标纲要), Xinhua News Agency (新华社), March 13, 2021. "Section Five: Accelerate Digitalized Development and Build Digital China" (第五篇: 加快数字化发展 建设数字中国).

¹⁶¹ See Figures 3 and 11.

¹⁶² Ma Xingrui, "Accelerate Digitalized Development," Seeking Truth, Jan. 25, 2021. Ma Xingrui, then governor of Guangdong province, penned this commentary following publication of the Central Committee's Proposal on the 14th Five-Year Plan, approved at the Fifth Plenum of the 19th Central Committee in late October 2020, which also addressed the concepts of Digital China and digitalized development. For a translation of the proposal, see "Proposal of the Central Committee of the Chinese Communist Party on Drawing Up the 14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives for 2030," Center for Security and Emerging Technology (CSET) Translation, Dec. 7, 2020, https://cset.georgetown.edu/publication/proposal-of-the-central-committee-of-the-chinese-communist-party-on-drawing-up-the-14th-five-year-plan-for-national-economic-and-social-development-and-long-range-objectives-for-2030/ (accessed Nov. 16, 2020).

¹⁶³ Digital Government Infrastructure Maturity Model Research Report (数 字政府基础设施成熟度模型研究报告), China Academy of Information and Communications Technology's Research Insitute on Cloud Computing and Big Data (中国信息通信研究院云计算与大数据研究所) and Huawei Cloud Computing Technology Limited (华为云计算技术有限公司), December 2021, <u>http://www.e-gov.org.cn/article-179463.html</u> (accessed Oct. 13, 2022).

Conclusion

"The construction of Digital China is a huge project that is complex, global, and systemic, and requires adherence to the centralized and unified leadership of the Party Central Committee...¹⁶⁴

> Tang Zhiwei University of Electronic Science and Technology of China Dec. 7, 2022

As was stated at the start of this paper, Digital China is the PRC's "overall strategy" for national informatized development, a national-level strategy with a 20-year personal tie to Xi Jinping himself. The strategy is fundamentally transformative at its core but openly competitive in its intent. Given the oftencited world view of the Chinese Communist Party as one under siege from foreign forces, Digital China's mission to help elevate core competitiveness, both in terms of strengthening multiple strategic domains and facilitating a new "Chinese style" of modernization, seemingly reflects a zero-sum approach towards international relations. By Beijing's description, as Digital China rises, the hegemonic system that now exists will retreat. While this paper-and subsequent ones-rely much on a factual description of Digital China and as well as the process by which it rose to a national-level strategy, there are already three arguments that arise from our initial analysis.

First, we argue that Digital China is the world's first "digital grand strategy." By this, we mean that it is a whole-of-nation effort intended to support the party

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achieving its long-term ends-that of the second centenary goal and that of national rejuvenation. Second, we note that like many grand strategies, the foreign front is as important as the domestic. In the case of Digital China, Xi Jinping is intent on using the transformative effects-and transformative narrative-of Digital China to usher in a golden era of party-led social governance. The realization of a more efficient form of governance will enable the emergence of a new Smart Society, better able to provide for the welfare-political and material-of China's citizens. Just as important, this new model of data-driven governance will demonstrate the superiority and utility of the Chinese system globally.

Party discourse ties success in building Digital China to realizing the Chinese Dream of national rejuvenation. Beyond the national level, Digital China, as part of a modern, ideologically sound vision of development, also provides an opportunity for export-or emulation, at the very least. 165 As noted by Elizabeth Economy and others,¹⁶⁶ Xi opened his second five-year term in 2017 as China's leader by asserting that China's approach to modernization "offers a new option for other countries and nations who want to speed up their development while preserving their independence." 167 It is a form of modernization that Richard McGregor and others argue is designed to promote authoritarian forms of government over democracy.¹⁶⁸ Similarly, it is a form of modernization that that The Economist and other Western media outlets argue is designed to revise the international system to better protect party interests.¹⁶⁹ With such questions in the air, Beijing's drive to reach digital agreements with foreign partners raises concerns about Beijing's intent. As Jonathan Hillman argues, the "CCP is harnessing communications technology to cement its control at home and expand its influence abroad." 170

Construction of Digital China with Chinese-style Modernization"(以中国 式现代化开创数字中国建设新局面), Guangming Online (光明网), Dec. 7,

2022, <u>https://theory.gmw.cn/2022-12/07/content_36213552.htm</u> (accessed Jan. 3, 2023). Tang Zhiwei is a professor in the School of Public Administration, and the Director of the Institute of Smart Governance, at

¹⁶⁴ "数字中国的建设是一项具有复杂性、全局性、系统性的巨大工程,需要坚持党中央的集中统一领导…" See, "Create a New Landscape for the

the University of Science and Technology of China. ¹⁶⁵ See for instance, "Alternative modernization path to that of West," *China*

Daily, Oct. 19, 2022, <u>https://www.chinadaily.com.cn/a/202210/19/WS634f41a5a310fd2b29e7d3f3.</u> html (accessed Feb. 7, 2023).

¹⁶⁶ See, Elizabeth C. Economy, "Exporting the China Model," Testimony before the US-China Economic and Security Review Commission, Hearing on the "China Model," March 13, 2020,

https://www.uscc.gov/sites/default/files/testimonies/USCCTestimony3-13-20%20(Elizabeth%20Economy)_justified.pdf (accessed Jan. 3, 2023).

¹⁶⁷ "Full Text of Xi Jinping's Report at 19th CPC National Congress," China Daily, Nov. 4, 2017,

https://www.chinadaily.com.cn/china/19thcpcnationalcongress/2017-11/04/content 34115212.htm (accessed Jan. 3, 2023).

¹⁶⁸ See, Richard McGregor, "Xi Jinping's Ideological Ambitions: World communism isn't Beijing's goal, but it is encouraging the spread of authoritarianism," *Wall Street Journal*, March 1, 2018,

https://www.wsj.com/articles/xi-jinpings-ideological-ambitions-1519950245 (accessed Jan. 3, 2023).

¹⁶⁹ See, "China seeks a world order that defers to states and their rulers: Xi Jinping wants less global interventionism," *The Economist*, Oct. 10, 2022, <u>https://www.economist.com/special-report/2022/10/10/china-seeks-a-world-order-that-defers-to-states-and-their-rulers</u> (accessed Jan. 4, 2023).
¹⁷⁰ See, Jonathan E. Hillman, *The Digital Silk Road: China's Quest to Wire the World and Win the Future* (New York: Harper Business, 2021).

Our third argument is that Xi has framed the narrative around Digital China through Marxist historical materialism-with data as the "new steam engine"-and rewritten Marxism's theory of value. In essence, Xi is reasserting Marxism as a viable organizing framework for human governance and economic organization. We are not sure whether he personally believes in Marxism, nor are we sure it really matters. What does matter is that Xi has recodified and updated Marxist theory to drive policy in the new digital era. While there is a history of Western commentators dispelling the importance of Beijing's ideological language-"it's only for domestic consumption," some say – we have already noted that it underwrites the "technology-enhanced authoritarianism" found in the design of some digital ecosystems now being marketed overseas by Chinese companies.171

This brings us to the "so what?" Why should the United States, Western powers, and others globally care about an ideologically tinged Chinese digital policy? We believe that Digital China will impact U.S. and international interests in four different ways. First, along with Cyber Great Power, Digital China is meant to make China the dominant influence in the future of the internet's architecture and the future of data-driven technologies. At the heart of this motivation is the assumption that cyber dependency and digital dependency are strategic vulnerabilities that must be avoided at all costs, assumptions that have only recently begun to also dominate White House thinking across political parties. This expanding view toward technology, innovation, and supply chains has begun to "de-globalize" the world and has seen the United States, the United Kingdom, Germany, and others begin to step back from their commitments to cost-rationalized supply chains.

The second "so what" is the belief—true or not—that China can use this strategy to transform and dominate the future of manufacturing, the future of advanced technologies, and the future of society and governance. While we cannot assume that the party will succeed in what sounds like a vainglorious vision, one cannot help but hear overtones of Nikita Khrushchev's "We will bury you" in the effort. It is an effort to model the future to China's liking and preferences, and the possibility that it might succeed, will empower its underlying ideological narrative. PRC state-run media is highly focused on describing the benefits that digital transformation has already brought to Chinese citizens, a benefit and approach that is propagated worldwide in multiple languages.

This is where our third "so what" comes in; the reintroduction of Marxist thought into international relations by the second-perhaps first-largest international economic and military power is a historically significant event. We have enjoyed a rather long period whereby capitalism and neoliberal and democratic theories were seen as those best poised to solve the needs of states and societies. For the first time since the end of the Cold War, there is a challenge to this state of affairs. For better or for worse, Marxism is "back" in a 2.0 version, having been updated to a new condition we call "Digital Marxism." This cannot help but impact the international system and challenge assumptions within Western societies-perhaps leading to the social cleavages seen in the West in the 1950s and 1960s. Given the efficiencies and cost-saving of this new authoritarianism, there is a chance that it will fundamentally challenge democracy around the world.172

The fourth and final "so what" is the impact that Digital China will have upon China itself, both positive and negative. How will this impact Chinese society? In the short run, it may make China more authoritarian, and more efficient, socially and economically. One need only note how artificial intelligence is being used across Chinese society for cashless purchases. However, it may also lead to increased political fragility as Chinese citizens begin to resent the omnipresence of the state in their lives. As the recent Covid-lockdown riots show, authoritarian states are rarely far from social revolt.

This brings us to policy recommendations. What, in fact, should we be doing about Digital China and how might the U.S. and Western governments respond to the possible impacts on our states and societies—as described above? Our own thoughts—as authors of this series of papers—is to use subsequent papers to flesh out a long-term research agenda. First, we must try to think through the most useful areas of investigation for policymakers. For

¹⁷¹ Emily de La Buryere, et al, eds., *China's Digital Ambitions: A Global Strategy to Supplant the Liberal Order*, The National Bureau of Asian Research, March 1, 2022, pp.18-19.

¹⁷² Michael Beckley, Hal Brands, "China's Threat to Global Democracy," *Journal of Democracy*, December 2022,

https://www.journalofdemocracy.org/chinas-threat-to-democracy/?utm (accessed Jan. 3, 2023).

example, assessment of PRC efforts would be one area where we could immediately propose multiple efforts and initiatives. It's all very well to argue that these are Xi's intentions, but the question really must be "to what extent are they gaining the results they want?" This might be done by tracking the PRC's own assessments—those at the local, national, and international level—as well as trying to ascertain results through other open-source methods.

Our second proposal is to invite other U.S. and likeminded experts on authoritarian systems, competition, and technology to engage with us and discuss and debate this research agenda. We will seek funding efforts to bring those experts to Pacific Forum and would also join—if invited—the efforts of others. Finally, we will continue to engage with policymakers on the strategy and seek to prioritize specific areas of focus—those that impact military power, for example—through regular discussions and debates.

As readers will no doubt have learned from reading this paper, Beijing's strategic intentions are massive: the design, roll-out, implementation, and assessment of Digital China's ends, ways, and means, as well as its supporting strategies, are huge endeavors. It is beyond the capability of any single person or organization to look everywhere at once, and some areas like the development of China's regulatory framework for cyberspace or the emergence of digitalized means for social governance have already been well developed by others, albeit not all necessarily linked to or vetted against an "overall strategy" like Digital China. So, we will seek to work with like-minded scholars and experts across multiple fields to better understand Digital China and to break down those areas that are seen to be of the most importance to our policymakers, our states, and our societies.

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