



***THE DEVELOPING WORLD NEEDS AN
ALTERNATIVE TO CHINESE TECH***

BY TABATHA T. ANDERSON

Tabatha T. Anderson (tabatha@stanford.edu) is a master's student in international cyber policy at Stanford University and a geopolitical analyst at a cybersecurity firm. Views expressed in this piece are hers alone.

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In April 2022, the United States [launched](#) its “Declaration for the Future of the Internet.” It asserts that human rights and democratic values must remain central to future technological development, innovation, and investment. Along with Japan, South Korea, and [58 other signatories](#), the United States argued that universal values should be embedded and enhanced at every stage of technological design, implementation, and diffusion. It’s time for the United States and its allies to match words with actions and ensure that developing countries have access to the resources they need to make that future a global reality.

The year following the declaration’s release [saw numerous instances](#) where Washington and its allies took steps laying the groundwork for an international digital ecosystem that better reflects liberal ideals, such as the establishment of a multilateral code of conduct surrounding export controls on tech with the potential to harm human rights. As two of the United States’ closest allies, Japan and South Korea are particularly well-placed to lead the charge, both within and outside of their shared region, given their

respective global reputations as democratic tech leaders.

Both countries rank highly as competitive hubs of scientific and technological innovation via the [Bloomberg Innovation Index](#) and the United Nations’ [WIPO Global Innovation Index](#). Moreover, in a joint statement [announcing](#) South Korea’s plan to host the third Summit for Democracy, the United States and Korea promoted “ensuring new and emerging technologies work for, and not against, democratic societies” as a priority. Yet, despite this capacity and commitment to bring more countries into a global and free internet architecture, much work remains to meet the vast needs of the developing world.

Global GDP growth has [reached pre-pandemic levels](#), but a combination of rising inflation, dollar-induced depreciation, and loss of trade demand has given way to [cost-of-living crises](#) that exacerbate preexisting inequalities worldwide. While all countries lost out on growth that never materialized, emerging economies are expected to [lose more](#) within the same 2020-2024 period: from an estimated cumulative output loss of 30.4 to 33.8%, compared to advanced economies’ loss of 15.6 to 18.3%.

This, in turn, reflects the uneven spread of quality technological development—according to the [World Economic Forum](#), over one-third of the global population remains detached from the digital economy despite 95% being “in range of some form of connectivity.”

More worrying is that many of these developing nations lacking in tech infrastructure are often already debt distressed. An estimated \$2.5 trillion in financing is needed through 2026 for these countries to continue [servicing pre-existing debt](#), not to mention any new debt from the pandemic-induced growth rut.

Comprehensive technological development—if spearheaded now by the United States and its strongest tech-enabled allies like Japan and South Korea—can play an immensely impactful and equalizing role for these nations. By 2025, the evolution of the digital economy is due to reap an [expected value](#) of \$100 trillion.

China stands as one of the few major powers attempting to meet the technological and infrastructural demands of the developing world at scale, such as via its [Belt and Road Initiative \(BRI\)](#). This effort has not been without its controversies, however, with critics alleging that it seeks to reshape the world in an increasingly illiberal image most benefitting China's interests by [diluting](#) and, ultimately, dismantling the long-standing multilateral development-finance institutions, norms, and standards predicated on the preservation of human rights and liberal values. Recent international convenings, such as the 2023 Munich Security Conference and the subsequent [G7 Hiroshima Leaders' Summit](#), affirmed growing consensus views that China's efforts to equip the developing world with tech is something that must be countered. The [2023 Munich Security Conference Report](#), for example, purports that "China is spearheading a group of autocratic states intent on promoting their techno-authoritarian vision."

Wealthy democracies must step up and offer a feasible tech alternative to developing countries. Regardless of Beijing's underlying motivations, its indigenously developed technologies tend to come [embedded](#) with certain behaviors, standards, and norms that clash with values central to modern liberal democracy. Constant government surveillance is a feature with authoritarian applications—enabled by pre-made virtual "backdoors" (such as the [secretly installed one allegedly used by Beijing](#) to spy on the African Union's headquarters after its construction) and the expansive mandate of China's [2017 National Cybersecurity Law](#) (which allows the government unfettered access to data held by any Chinese entity). Constrained personal privacy and limited freedom of speech are other standards that could be detrimental to human rights if exported to newly digitized developing countries.

The reality, however, reveals China as the only country willing to get involved as a creditor and investor at the scale that is needed globally. There are countless examples of [digital connectivity projects](#) across the globe—involving smart cities, fiber-optic cables, 5G, and other ICT infrastructure—where Beijing has taken the lead via its enterprising tech

companies. Aiding these companies, like Huawei, ZTE, Hikvision, and Xiaomi, was their significant first-mover advantage from being long-established players in emerging markets that traditional investors wrote off as unprofitable.

The United States should thus work with its tech-proficient partners to provide a concrete, credible, and compelling alternative. As countries with national champions that are highly competitive in the tech field, the United States, Japan, and South Korea are uniquely well-placed to enter the market to advance developing countries' tech sectors while also encouraging norms more in line with democratic values. Google, Samsung, and Sony, for example, are all massive players in the sector capable of providing high-quality tech consumer goods as well as fundamental infrastructure critical for digital transformation.

An area of significant partnership potential for the trilateral grouping lies in focused, joint investment in local tech companies across Asia that show a significant commitment to democratic norms, processes, or values. The US-led [Tech4Democracy](#) initiative, which involves a series of challenges for local startups across the globe to compete for funding and recognition, presents a ready framework that South Korea and Japan could tailor specifically for the Asian region. An Asia-centric version of the initiative would galvanize grass-roots investment in the types of values-centric technology that the original Declaration for the Future of the Internet calls for. Successful Tech4Democracy Asia participants would go on to benefit from the wealth of technological knowledge and expertise enjoyed by Seoul and Tokyo, eventually creating future technologies capable of competing with Chinese options lacking in democratic safeguards.

Overall, investing nations should ensure that the eventual "democratic option" presented is an equally affordable alternative to Chinese tech; this conversation should be a continuing one that empowers emerging economies as agents of their own development, and not as passive vehicles within the wider great power competition. The private sector of each investor nation, then, will need to be incentivized

and mobilized to engage within these markets in new and meaningful ways; something that undoubtedly will be more difficult for democratically governed states than authoritarian ones, but well-worth the normative impact in the end. In this regard, the United States would benefit significantly from leaning on the experience of South Korea and Japan, both of which have long histories of public-private partnerships with their domestic tech sectors.

Declaring the norms of a digital future is meaningless if not paired with complementary action—and developing country leaders have evidently become disillusioned with the rhetoric-first approach. Until wealthy democracies are willing to front the costs of enriching emerging markets with technologies currently largely segregated to high-income markets, there is simply no reason for developing nations to deny the only other option out there.

As host for the next Summit for Democracy, South Korea faces a huge potential opportunity to drive the crafting of an alternative to Chinese tech in a dynamic region eager for investment and competition. Fostering the next generation of democratically minded tech stands as one promising avenue, but such an initiative will undoubtedly take significant time, money, and effort. For now, leaders across the developing world—regardless of regime—know that to get cheap, ready tech to improve the lives of their citizenry, China is the way to go.

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