

CHINA DIGITAL SILK ROAD INITIATIVES DUE TO GEO POLITICS AND GEOECONOMIC IN THE SOUTH CHINA SEA OF ASEAN REGION

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Abstract

This study is trying to seeks a more understanding regarding the China Digital Silk Road Initiatives whether is it due to Geopolitics or Geoeconomics reason. Qualitative methodology is used to describe and interpret to generate a more understanding towards China initiatives, strategy and future cooperation or conflict. The finding of this study suggest that China is using their digital silk and road initiative as an umbrella term, both to grasp their interest in geopolitics and geoeconomics. This finding explains the specific pattern of China initiative, strategy, cooperation and conflict in the south China sea region.

Keywords: Digital Silk Road Initiative, Geo-Politics, Geo-Economic, South China Sea

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INTRODUCTION

The Digital Silk Road (DSR) formally launch by the People's Republic of China in 2015. It initially referred to the inclusion of advanced technology in the parent initiative of Belt and Road Initiative (BRI), but it is in 2017 that DSR spark and emerged as a centerpiece of the China foreign policy. It promotes cooperation in digital connectivity such as with the member of the Southeast Asian Nations (ASEAN) (Gordon and Nouwens, 2022).

The BRI initiative, traditionally trying to connected land by roads, railways and sea by port. DSR however, is trying to connect the virtual realm digitally. In the beginning of its launching, DSR is poorly understood and doesn't receive much attention, especially from countries in the Southeast Asian Nation. During the pandemic, the demand market for internet is rising sky high. Through time and development, DSR rose attention regarding what is China truly doing with DSR and its objectives, and why is the south China sea is so important for Beijing to be in all out mode to secure. From claiming the nine-dash line, to building artificial island and patrolling with massive coastguard ship throughout the south China sea (Pratiwi, 2022).

The situation of the dispute in the China sea is complex. But maybe, if China is able to present and demonstrate their interested is about developing practical measures to enhance economic and political cooperation to the ASEAN claimants, and that its artificial islands are not a threat to security or to the natural resources in ASEAN EEZ (exclusive economic zone), there is a good chance the relationships between China and the ASEAN claimants will improve. Counterrally, China arming its manufactured island with highly weapon system as soon as the island take shape is a security threat despite Chinas attention and statement to make peace and prosper in the form of economic cooperation and connectivity (Beckman, 2017).

METHODOLOGY

To fulfill the purpose of this study, qualitative methodology is used to describe and interpret to generate a more understanding towards China initiatives, strategy and future cooperation or conflict. Data gathered from various digital source in the form of journal, article, eBooks and other digital content. Insight and meaning are found from generating and analyzing the data collection based on logic and grounded theory (Mohajan, 2018).

Geopolitics and geoeconomics are used to understand more about the issue. The purpose is to enable in depth explanation why China is behaving the way they are, particularly in the south China sea ASEAN region. Is China really is trying to promote peaceful gesture by suggesting economic corporation using investment and finance, or is it merrily just a political move. This will lead to a wider discussion whether interdependence really is preventing conflict. Surely however, it is another issue to analyzed for future study.

RESULTS AND DISCUSSION

Discussion will talk about the Digital Silk Road Initiative, and how most likely researcher interpret them with skeptical and positive opinion. It also discusses the motivation of the initiative geopolitically and geoeconomically. Through this discussion, the study is seeking for why is China acting the way

they are in the South China Sea and in the context of DSR initiative.

China has decided to build two main line of fiber optics. The East China line and the South China seas. Beijing is bolstering its digital infrastructure under the five-year development plan. Surely this truck attention especially from the US head-to-head competitor. China have made a bold move by investing around \$570 Billion between 2021-2025 to boost the plan rapidly (Rolf & Schindler, 2023). Technically, China ability to set undersea cables in no time is magnificent. For the next five years development plan, China is planning to build two more special ships for undersea cable instalment and maintenance. The capacity and capability in the construction and maintenance as put China as a heavy competitor in the submarine cables bid. Control over undersea cables, will eventually enable China leverage in a potential military conflict, leverage in economic and espionage benefits.

Digital Silk Road Initiative

Skeptic opinion can interpret the DSR as China's quest to wire the world and win the future competition in the digital realm. The rising of China has also put China as the world largest provider of communication technology. DSR is China steps to technological rise. It is said in the made in China 2025 Initiative (MIC 2025) industrial policy plan, one of the goals is to gain 60 percent of the fiber optic global market (ISDP, 2018). This policy however sparks an antitrust of the European Union commission to investigate antidumping issue regarding fiber optic imported from China. It also alerts the US for security concern in term of espionage by tapping to undersea cables.

DSR however, are presented by China as future needs and digital solution for everyone. Especially for the developing countries, such as the African countries, the over looked small pacific countries and including the Southeast Asian and if not the whole world. The are a few reasons that put DSR an important initiative in China's global strategy. Most of all, the reason is the continuing commitment to connectivity to reminisce historical success, whether it's the BRI traditional connection nor DSR digital connection. There are also a pull and push factor to the elevation status of DSR. The push factor is the undeniable fact that China have manage to transform and boost their economic from Mao to Deng in a short amount of time. The Significant China digital economic growth. The pull factor, is China perception of a digital gap. China effort to tap in the niche market of third countries income and a broader market of developing counties in digital infrastructure. No stone is left unturn to bolster market share and influence. Eroding the digital gap of the third and developing countries which collectively mount up to a big market. Digital gap will be an obstacle for China to continue improving their digital economy growth (Zheng, 2024).

China's companies are among the biggest player there is in the internet's physical infrastructure. China's companies like Huawei, Hikvision, Dahua and Hengtong group are champion multinational company that operate in the global stage. Huawei for instance, operate in more than 170 countries. Hikvision and Dahua have a more than 40 percent of the world's surveillance camera market. Hengtong however, is the world's big fourth submarine cables supplier which carry 95 percent of the international data. China is not only aiming the ocean

floor, it also aiming satellites and all of this is part of the DSR initiative. Similar to the Belt and Road Initiative, the DSR is a China-centric concept wrapped in rhetoric concerning cooperation and win-win solution. The concept has proved a savvy marketing tool to amount global domination (Hillman, 2021). DSR is the technology focus dimension of the BRI Initiative, but not all Chinese digital ventures operating overseas is the result of a state led strategy. The DSR function as an umbrella through each company to expand oversea operation and align with state objectives.

DSR undersea cables are China's strategy to strengthen their influence and to put the initiative to live by build infrastructure of information from the oldest 2G, 3G, 4G and coming to 5G for the future scenario. The idea is to flourish digital connectivity and digital economy and to develop smart city within the member of ASEAN as the closest regional partner with China.

Chinese Digital Silk Road's (DSR) three most strategically pressing implications found from the insight of DSR global progress. First, it implicates the development of a full fledged China's digital backbone. In the ASEAN region, digital user has reach 460 million users with 100 million more estimated to joining in (Kominfo, 2023). Globally, the potential new user is around 4 billion and China has already position and tap in to the market through DSR. This digital backbone comprised of submarine and terrestrial fiber-optic cables, next generation cellular networks and also satellite system. Submarines cables is the very source of the information and communication technology (ICT), and also the heart of digital economy. Approximately 406 submarine cables in operation as in early 2020 which laid between the north Pacific Ocean connecting East and Southeast Asia with north America. China owns 11.4 percent of these cable globally, but within Asia it shares is close to 30 percent. The second implication is the setting of technology standards. The battle here is who will set the standards for the 4.0 industrial revolution, which is the digitalization of the world. A popular saying within the China's industry circle, illustrates China's awareness of the significance of standards. The saying goes, first tier enterprises make standards, second-tier enterprises make technology and third-tier enterprises make products. Government-business cooperation plays an important role to promoting standards. Different styles of cooperation between government and business entities in several BRI counties, have been used to promote Chinese standards abroad since China launched its going global policy (He, 2022). China's government has signed DSR specific MoUs with not less than 18 countries, which China will be able to gain involvement in these countries' technological development. It will resolve these countries dependencies towards Chinese technology and investment. It's a lesson learn by China from their own experience dependent to America's technology in the pass, such as developing satellites. Up to date digital era, Chinese fintech shows contribution to standards setting. The third implication is the shaping of cyber governance, norm, and the digital experience with China's characteristic (Ghiasi & Krishnamurthy, 2020).

Positive opinion regarding possibilities of DSR brings, comes from the many developing countries. Government of these developing countries strongly advocate digital economy as a significant pillar for growth. So as their public optimistic opinion that new technologies will offer more opportunities rather

than risks. Developing countries are welcoming for technology connectivity since its over's economic opportunities (Kayama, 2019).

The DSR helps achieve China goals in becoming the world digital connectivity infrastructure provider. DSR can be seen as the effort to facilitates the global expansion of Chinese technology corporations. It enables China to exercise greater influence in setting global technology standards and cyber norms. It expands China oriented transregional company with magnitude of economic opportunities. Through DSR, China will be able to influence global discourse and potentially enables Chinese to access large foreign data (Chan, 2019).

Geopolitics and geoeconomics of the Digital Silk Road

DSR has an important geopolitical strategic objective for China's government. It's not just about opening new market globally economically. It can also be saw as a defensive strategy in cyber security risk, especially after western dominance, Snowden's new revelations on cyberspace domination (Paganini, 2015). Cyberwar and big data have emerged as China new front of geopolitical competition, especially with the US. With so much digital thing depending on submarine cables, resulting in a big concern of security. The DSR technological rise is also meant as a geopolitical benefits in cyberspace as tech supremacy. China has step far from a recipient technology country into an innovator in technology, not just within China but globally as well. This externalization of technology can be seen as a push by Beijing or as a pull by recipient countries out of China. To look at it in an economically perspective rather than political power struggle, China is having problem internally. Rapid economy growth resolves high inflation, environmental destruction, dependent in raw material and expensive human resource or even the shrinking of its working age population, so the solution is really is technology for them. There for, the externalization of technology is more of a China push factor from the economy point of view. By having the ability to low-cost production of technology device, China successful export, its companies' ability to provided very upfront low-cost technology, is really is an achievement. The fact that one country overly reliance on a single supplier such as China, will eventually draw concern. Another concern comes from the fact that there are a lot of projects not running well, the device is being faulty where the funding is from a lend program from China draw a warning then just a concern. It's becoming a debt trap which lead to power for the Chinese.

The new way of living, inherent vulnerability to some degree concerning submarine cable. The threat also inherent with the possibility of loss connection by cable cut or disrupt, immediately will affect digital economy and way of living. Undersea fiber optic cables are surely to be the next geopolitical and geoeconomics frontier. The assumption of data is private and encrypted is debatable if you can tap in to submarine cables. It's the new cold war under the sea in the era of digitalization disruption.

The launching of DSR is also meant for the Communist party to enable to collect vast amount of data overseas. By doing so, it can generate and enable to create barrier to similar lines of work economically, civilian and military intelligence, propaganda and other information operation. DSR motives there

for, are launch to pursue both geopolitics and geoeconomics reason for the Chinese government. DSR seems to aiming and help China to achieve dominance in information and communication technology and also to gain more power in digital economy. In recent statistic, the digital economy had a significant growth and valued at \$16,6 Trillion. It is expected to be double to \$32,9 trillion in 2028 (Consultancy, 2024). There for, having a big power in digital economy is a big matter. China's digital economy surged sharply to \$6 trillion in 2020 amid pandemic (Xue, 2021).

China DSR strategy also include in 5 G connection, artificial intelligence (AI), Nano technology, cloud computing, big data and other relevant digital subject. The Chinese stresses the digital infrastructure gap across the global South and it is for them to contribute and to present. Looking back through time to the late 1800s, Britain is the dominant supply of telegraph cables. During World War I, the British have the ability to cut of Germany communication with the world by cutting through it's under sea telegraph cable. Today, similar to those examples, China has the ability to cut off their opponent through digital connection, or at least the possibility is there in a conflictual scenario. Geopolitically, China has a stronger grasp in the digital infrastructure in the Asian and African continental.

DSR of The South China Sea

For every ASEAN country, the future is digital, and the biggest investor in this digital push is none other than China. Digital silk road or version two of the belt and road is fast emerging connecting people, countries and the region. Economically, the Southeast Asian Nation is the economic allies to China both traditionally and digitally.

Submarine cables among other, are essential for global data flow and carry around 99 percent of the world intercontinental communication traffic. Over the years, China has enhanced international exchange, collaboration and cooperation and in cyberspace primarily in undersea infrastructure cables. It is being implemented accordingly to the United Nation Convention on the law of the sea adopted in 1982. Yet, some aspects have not been regulated in the regulation (Iswaraa & Afriansyah, 2021). But in general, law regulating subsea cables have largely remain the same over the years. It is protected by the law through the convention that damaging a submarine cable is an offensive act and punishable according to UNCLOS article 113. So, whatever China is doing in the South China subsea relating to cables or pipeline, is protected by international law. Not only that, the Chinese are doing it through international cooperation of digital infrastructure with the ASEAN. This fact will eventually mingle with the territorial dispute or at least the maritime claim in the South China sea.

The South China sea is estimated rich in natural resources to begin with. The length is about 1.4 million squares miles. Proximally 11 billion barrels of oil, 190 trillion feet of natural gas, 10 percent of the world fisheries in terms of protein and geographically 30 percent of global shipping trade flow through regularly (Wardhana, 2021). Having to have the control of the path itself is strategically beneficials. A unique geo position connecting global producing country and global market of Southeast Asia or around 2.2 billion potential customers.

Adding to that extreme importance, the submarine cables and artificial island of China. No wonder the Chinese is desperate building man created island across the area from reef materials. The one square mile Fiery Island for example. Home to a Chinese military base with air strip, advance radar station, missile defense system and about 200 land troops. With this island, China can defense it's claim with force, But the main objectives are in order to increase control at the surrounding water. China can flood the water with fishing boat, surveillance ship, navy ship and coast guard to gesture and flexing power. China position in the South China sea is a must since there are trying to secure their belt and road and digital silk road initiative for future competition.

The Chinese are encouraging countries and companies to collaborate between China's companies and their foreign counterparts. China is eager to continue working with the international community to strengthen bilateral, regional, and international dialogue and cooperation to advance global information infrastructure including submarine cables. The win-win solution can be in the form of jointly project to boost global digital connectivity. Beijing is actively socializing joint cooperation in a more fair, equitable, secure, stable and vibrant cyberspace (Shanghaieye, 2024). On the other side of the statement, China's is telling the world to collaborate or to compete, and potentially to trade or invade. Companies who want to install sea cables in the South China Sea, have no option but to abide by the China's term due China's claim of the South China sea, not to mention the people liberation army is involve.

What should not be overlooked in this discussion is that China has succeeded in attracting the attention of all Southeast Asian countries with their DSR offering proposal since 2017. Moreover, countries in the Southeast Asia Region have join on board and received Chinese DSR investment since 2020 (Zheng, 2024). This event has put a loosen situation in term of the South China dispute. China's track 3 diplomacy through business or peacemaking through commerce is spot on. The massive foreign direct investment (FDI) made by China in Southeast Asian countries have apparently succeeded in influencing the way Southeast Asian countries viewed China, which was initially seen as a threat through the issue of closing the South China Sea. China has succeeded in building a new image as a cooperative partner in the eyes of Southeast Asian countries (Kreuzer, 2018).

CONCLUSION

DSR Initiatives is a lot difference to BRI traditional connecting railroad, port and so on. DSR technology connectivity provide China to gain both geopolitically and geoeconomic interest. It is the China response in terms of cyberwar and digital economy. China presentation according to the DSR is by cooperation and a win-win solution. To eased tension in the South China Sea, China improved their image through peaceful commerce figure promoting economic cooperation. Otherwise, it will potentially turn to conflict with countries contra to the initiative. China strategy, cooperation and conflict are based on the belt and road initiative and digital silk road initiative. It is the long term and for future competition as the technology standard setter and Chinese's centric geopolitics and geoeconomics especially in the South China sea

ASEAN region. The South China sea is not just the busiest shipping trade traffic, but it also the busiest in term of digital data traffic.

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