

# China and the Middle East to Jointly Build a Digital "Belt and Road": Opportunities, Challenges and Suggestions

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**Abstract:** Middle East countries have huge potential and broad prospects for the development of the digital economy. China and Middle East countries have a good foundation for cooperation. The joint construction of the digital "Belt and Road" by China and Middle East countries is an innovative measure to promote the "Belt and Road" construction in the Middle East, and it is also an important starting point for building a community of shared future. This article mainly discusses the opportunities for China and the Middle East countries to jointly establish the Digital Belt and Road Initiative, analyzes the challenges, and puts forward corresponding suggestions based on these challenges.

**Keywords:** "One Belt, One Road" Construction; Middle East Digital Economy; Digital Economic Cooperation

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## Introduction

From the perspective of the history of the development of the digital economy, the "information economy" is the embryonic form of the digital economy. With the continuous development of the times, the rapid progress of science and technology has gradually penetrated various fields, so the economic model based on "information" has also emerged. With great changes, the information economy has gradually been endowed with richer connotations. Until the 1990s, digital technology gradually emerged from the information industry, and the discovery of electronic computers led to new ideas. With the gradual life of electronic computers, new business models represented by e-commerce emerged. At present, the digital economy has been mentioned more and more, but today's academic circles have not given a unified definition that all parties agree on. China's 2016 Hangzhou "G20 Digital Economy Development and Cooperation Initiative" pointed out that digital economy refers to "the use of digital knowledge and information as the key production factors, the modern information network as an important carrier, and the effective use of information and communication technology. In a broad sense, digital economy not only refers to taking digital as the object, but also any industry and company that has changed the original operation mode and improved the original operation efficiency by relying on big data analysis with the help of big data and digitalization.

Digital The Belt and Road Initiative is the combination of the digital economy and the Belt and Road Initiative. The construction of the digital "One Belt One Road" is an initiative officially proposed by the Chinese leader at the first "One Belt One Road" International Cooperation Summit Forum in 2017. It is an important measure to give full play to the basic, strategic and leading role of digitalization in economic and social development in combination with the new trends in the digital economy represented by the Belt and Road Initiative. Under the framework of the digital "One Belt, One Road", China and countries along the route build digital economic infrastructure, narrow the "digital divide", form a digital economy with win-win cooperation, and establish corresponding cooperation mechanisms to improve economic quality and promote employment.

The Middle East is a key region connecting the three continents of Asia, Europe and Africa and the two oceans, the Atlantic Ocean and the Indian Ocean. It is also the intersection of China's 21st Century Maritime Silk Road and the Silk Road Economic Belt. Due to the generally single economic structure of the Middle East countries, the economic development of many countries is heavily

dependent on oil and gas resources, and the economic development is unsustainable. When the digital economy emerged, Middle Eastern countries took the development of the digital economy as a priority for economic diversification and industrial transformation and upgrading and generally welcomed China's digital "One Belt, One Road" initiative. This article will analyze the opportunities and challenges of China and the Middle East countries to jointly build the digital "One Belt and One Road", and provide suggestions on promoting the development of the digital economy in the Middle East countries and promoting the construction of the digital "One Belt and One Road" between China and the Middle East countries.

## **1. Opportunities for China and the Middle East to jointly build a digital “Belt and Road”**

### **1.1 The development strategies of China and Arab governments in the field of the digital economy are in line with each other**

Most Arab countries attach great importance to the digital economy as a new engine of global economic development to promote economic transformation and development and achieve inclusive growth and sustainable development. At the regional level, the League of Arab States launched the “Arab Digital Economy Shared Vision Strategy” in 2018 as a guide for advancing the economic development of Arab countries in the digital age. The vision aims to build a vibrant digital economy as the main driver of sustainable development and regional stability in the Arab world. At the national level, Arab countries have launched strategies to promote the development of the digital economy. The "Egypt 2030 Vision" regards digital development as an important goal, and has issued several policies to support the country's digitalization, and increase investment in e-government, cross-border e-commerce, intelligent manufacturing and other fields. The Digital Oman 2030 Strategy focuses on emerging technologies in digital transformation, including artificial intelligence, blockchain, big data, smart cities, and more. The UAE launched the "2021 Blockchain Strategy" and "2031 Artificial Intelligence Strategy", China's "Digital Silk Road" initiative focuses on digitization, networking, and intelligence, and strengthens cooperation with countries along the route in network infrastructure construction, digital economy, and network security. This is in line with the initiative of "developing the digital economy and realizing digital transformation and development" put forward by the "Digital Development Strategy of Arab Countries", laying a foundation for the joint construction of the "Digital Silk Road" between China and Arab countries, and deepening the cooperation between the two sides in the field of the digital economy. offers wider opportunities.

### **1.2 Both parties have a good foundation for cooperation**

China and Arab countries have a high level of political mutual trust. Since the founding of the People's Republic of China, high-level exchanges between China and Arab countries have been frequent, and China-Arab relations have been continuously upgraded. China and Arab countries have established bilateral strategic partnerships at different levels. Arab countries are located at the intersection of the "Belt and Road" and are natural partners for the joint construction of the "Belt and Road". Since the "Belt and Road" initiative was proposed in 2013, Arab countries have responded positively. With the signing of the Action Declaration on China-Arab Cooperation and Joint Construction of the "Belt and Road" in 2018, the "Belt and Road" has become an important part of China-Arab relations. China and Arab countries have close economic and trade relations and sound cooperation mechanisms. The China-Arab States Cooperation Forum and the China-Arab States Expo are international cooperation platforms for the joint construction of the "Belt and Road", and play a unique role in the construction of the "Belt and Road".

## **1.3 China's experience in digital development has reference significance for Arab countries**

Relatively speaking, most Arab countries are still in the "depression" of the digital economy, and their industries are in the stage of digital transformation. Strengthening the cooperation between China and Arab countries in the field of the digital economy and sharing China's experience in the transformation of the digital economy can enhance the digital construction capabilities of Arab countries, narrow the "digital divide", and achieve "overtaking on the curve". With the continuous strengthening of the support from the governments of China and Arab countries, the construction of the "China-Arab Countries Online Silk Road" will continue to deepen the international cooperation between China and Arab countries in the digital economy, and provide China and Arab countries to jointly build the "Digital Silk Road".

## **2. Challenges for the two sides to jointly build the digital "Belt and Road"**

### **2.1 There is a serious shortage of digital talents**

The digital economy is knowledge-based, and digital talents and information technology research and development are important guarantees for the sustainable development of the digital economy. Although Arab countries attach great importance to cultivating and introducing high-quality digital talents, there is currently a serious shortage of digital talents in Arab countries, and the lack of core digital technologies.

### **2.2 The digital economy infrastructure is relatively weak**

The development of the digital economy in Arab countries is unbalanced and fragmented, and there are large differences in digital development, and there is a digital divide between regions. Among the 71 countries along the "Belt and Road" (including 14 Arab countries) evaluated, the United Arab Emirates and Saudi Arabia are at a "high" level, Egypt, Qatar, and Kuwait are at a "medium" level, Oman, Bahrain, Morocco, Jordan, Iraq, Lebanon, Yemen, Palestine, etc. are at a "lower" level, and Syria is at a "low level". There is a wide gap between the highest score and the lowest score among Arab countries. This objectively brings challenges to the sharing of the achievements of digital economic development between China and Arab countries. It is necessary to focus on different areas of cooperation according to the development level of different Arab countries to achieve precise docking.

### **2.3 Lack of network security supervision**

The digital transformation process relies more on the dissemination of digital communications and data in cyberspace, and governments need to pay more attention to information security challenges and related threats to ensure cybersecurity. Arab countries lack information and communication technology regulation, and there are network security issues involving consumer privacy, personal data protection, e-government information security and other aspects. Low levels of use of online services and the consequent leakage of critical personal data characterize usage patterns in Arab countries.

## **3. Suggestions for promoting the joint construction of the digital "Belt and Road" between China and the Middle East**

### **3.1 Strengthening cooperation on cybersecurity and digital governance**

Actively play the role of bilateral and multilateral cooperation platforms and mechanisms, promote the establishment of a community with a shared future in cyberspace, incorporate cybersecurity and digital governance cooperation into dialogue mechanisms such as the China-Arab States Cooperation Forum and the Belt and Road Forum for International Cooperation, and

explore China-Arab States cybersecurity and digital The common interests of governance, and build a good global digital governance system and cyberspace environment. Focusing on key areas such as "5G", cloud technology, and mobile payment, jointly carry out digital security standardization, technical specification cooperation and related rule formulation in key areas, and build unified technical standards and construction specifications. Strengthen cooperation in the rule of law and law enforcement in cyberspace governance.

## **3.2 Promoting policy communication and coordination between China and the Middle East on the “One Belt, One Road” initiative**

The two sides can strengthen policy communication and coordinate digital economy development strategies through various channels. China and the Middle East should strengthen cooperation between departments and consolidate the policy and legal basis. At present, the international oil price is at a historically low level, and the new crown pneumonia epidemic has caused a sharp drop in the fiscal revenue of various countries. Therefore, the two sides need to explore innovative financing models to alleviate the financial constraints faced by Middle Eastern countries in the construction of the digital “Belt and Road”. The two sides should establish a governance cooperation mechanism in time to ensure the digital “Belt and Road Initiative” "Data security in construction.

## **3.3 Bridging the “digital divide” in the Middle East**

To narrow the "digital divide" in the Middle East, China and Middle East countries can further build consensus on cooperation between all parties through the docking of development strategies, promote effective matching and value integration of docking, and adopt differentiated cooperation based on the development stage and characteristics of the digital economy of Middle East countries. To accelerate mutually beneficial cooperation in the digital economy, and turn strategic actions into strategic results, China can also make use of multilateral mechanisms such as the China-Arab States Cooperation Forum, Asia Cooperation Dialogue (ACD), Asia Information Conference (CICA), etc. We should do a good job in the top-level design and planning of the joint construction of the digital "Belt and Road", clarify the implementation plan for all parties, actively assist Egypt, Yemen and other countries to formulate strategic plans for digital economic development, and plan to establish a unified and efficient digital economy service development in the Middle East platform, speed up the data exchange and sharing with existing platforms such as mobile payment, cross-border trade, and financial technology, and promote the "Belt and Road Initiative".

China's "Digital Economy International Cooperation Initiative" has been effective in the Middle East; take information infrastructure construction as an important area to narrow the "digital divide", actively participate in the construction of information infrastructure in Middle East countries, and accelerate the development of broadband facilities, information and communications for countries with weak digital infrastructure. Technology, "5G" network and other information infrastructure layout and cooperation, vigorously promote the new generation of Internet of Things, artificial intelligence, big data, etc. The application of information security technology can realize the complementary advantages of resources and elements.

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