Chinese Mobile Apps and China's Increasing Digital International Presence

OE Watch Commentary: The first two accompanying articles from Chinese sources discuss how the COVID-19 pandemic has resulted in the emergence of new Chinese mobile app technologies that are likely here to stay. The third article from an Italian source warns that China's rising use of mobile apps has accelerated its digital international presence, which could lead to Chinese dominance over international digital networks and tools. If control over data is the great power competition of the 21st century, China is rising quickly via its mobile apps.

AliBaba and WeChat pay signs at a Burger King in China.

Source: N509FZ via Wikimedia, https://commons.wikimedia.org/wiki/File:Alipay_and_WeChat_pay_signs_in_BurgerKing_ZBAA_(20170309123855).jpg Attribution: CC BY-SA 4.0

The first article from *Global Times*, an English-language Chinese newspaper under the auspices of the Chinese Communist Party's *People's Daily* newspaper, provides an example how a Chinese app was used amid the pandemic's emergence. Passengers flying to Beijing had to register their information in an app called "Jingxin Xiangzhu" and provide information about their residential community or hotel after arrival.

The second article from *China Daily*, an English-language daily newspaper owned by the Chinese Communist Party, explains how the Chinese mobile application market was thriving by April and had "witnessed new growth opportunities amid the novel coronavirus outbreak." According to the article, average mobile usage had risen by 30% to reach five hours a day in China compared to February 2019. "Business and education apps were among the most widely used as many chose to work and study from home," the article reports. It also quotes a Chinese academic who says that the pandemic has raised demand in sectors such as "telecommuting, online education, fresh food e-commerce, entertainment and health and fitness apps." The academic also forecasts that China's mobile app market will continue to grow as prevention and control of the pandemic will become part of people's daily lives. He also claims that the consumers who have experienced new digital services will "maintain the new consumption habits after the epidemic ends," which will "accelerate the digital transformation of… industries, which will help inject new impetus for the growth of the app market in China."

The third article by an expert at the *Italian Institute for International Political Studies*, a think-tank, explains how such mobile apps were critical in turning China's economy around, following the emergence of the pandemic. The author notes that China's GDP contracted by 6.8% in the first quarter of 2020; but quickly recovered in the second quarter of 2020, with China "becoming the only G-20 member to emerge from the recession with a 3.2% increase in GDP." He claims that mobile apps, in particular, were one of the key drivers of this recovery, noting that Chinese applications allowed local businesses to increase their profits by up to 120% during the months of the lockdown.

However, he warns that a swift economic recovery was not the only thing that apps enabled. They also "accelerated China's digital international presence and influence under the Digital Silk Road (DSR) initiative," which he defines as the digital route of the Belt and Road Initiative. The author writes that the DSR ultimately leads to policies related to digital governance, cybersecurity and data-sharing, endangering personal privacy. By using its infrastructure-building approach to expand its network access capabilities, China is amassing new kinds of data. The author warns that this is China's push for "international primacy over digital networks and tools" within the international digital battlefield. **End OE Watch Commentary (Kaya)**

"The recent increase in mobile apps and electronic devices… accelerated China's digital international presence and influence under the Digital Silk Road (DSR) initiative."

Continued: Chinese Mobile Apps and China's Increasing Digital International Presence

Source: "Head-to-toe measures in China prevent imported infection from overseas arrivals," *Global Times (China)*, 9 March 2020. https://www.globaltimes.cn/content/1182031.shtml

At Frankfurt airport, notices written in Chinese and English were posted at gates for flights to China reminding transfer passengers to input their passport information. Passengers to Beijing had to register their information in an app called "Jingxin Xiangzhu" and provide information of their residential community or hotel after arrival.

Source: "China's mobile application market is thriving," *China Daily*, 14 April 2020. http://www.china.org.cn/business/2020-04/14/content_75929201.htm

Chinese mobile application market is thriving, and it has witnessed new growth opportunities amid the novel coronavirus outbreak, global business intelligence firm App Annie said in a new report.

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Due to the novel coronavirus outbreak, average mobile usage has risen by 30 percent to five hours a day in China from a year ago during February, the App Annie report said. Business and education apps were among the most widely used as many chose to work and study from home.

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Ouyang Rihui, assistant dean of the China Center for Internet Economy Research at Central University of Finance and Economics, said: "The epidemic has triggered demand in emerging sectors such as telecommuting, online education, fresh food e-commerce, entertainment and health and fitness apps."

China's mobile app market will continue to grow as the coronavirus epidemic prevention and control work gradually becomes part of people's daily life, he said.

According to him, many people will continue to study and work from home and spend more time indoors…. "A growing number of consumers have experienced new digital services, and they will maintain the new consumption habits after the epidemic ends," Ouyang said. "It will also accelerate the digital transformation of traditional industries, which will help inject new impetus for the growth of the app market in China."

Source: Davide Fanciulli, "A Digital Ascent: The Revolution of Chinese Mobile Apps," *Italian Institute for International Political Studies*, 27 October 2020. https://www.ispionline.it/en/publication/digital-ascent-revolution-chinese-mobile-apps-28005

With more than 1.4 billion people forced to lockdown and a total of 85,500 cases, China has undoubtedly represented the main protagonist during the initial phase of the Covid pandemic. In light of the containment measures adopted by Xi Jinping, the Chinese economy saw its GDP contracting by 6.8% in the first quarter of 2020, slowing down the rise of the People's Republic in one of the heaviest crisis faced by the nation in the last decades. Despite the abrupt deceleration, the country managed to quickly recover in the second quarter of 2020, becoming the only G20 member to emerge from the recession with a 3.2% increase in GDP. Together with a general loosening of the containment measures, the immediate, advanced and strategic use of technology and, in particular, of mobile apps certainly represented one of the key drivers of the recovery. …In China mobile apps such as Shuishenma and Jingxin Xiangzhu, owned by the tech-giants Tencent and Alibaba, allowed more than 1.1 billion people to monitor the health-status of their contacts through simple QR codes. … In China applications like DingTalk and Taobao allowed local businesses to increase their profits by up to 120% during the months of the lockdown. …

During the months of the lockdown, the mobile apps' usage has in fact risen by more than 30% across the country, reaching 5 hours a day spent on average on the screen…. Nevertheless, such post-pandemic new and increasingly digitalized normal must be intended and read within a broader picture: the recent increase in mobile apps and electronic devices usage did not only represent a safe space during the coronavirus, it did not only stimulate a swift economic recovery, but it most certainly accelerated China's digital international presence and influence under the Digital Silk Road (DSR) initiative.

The DSR represents the third main declension of the Belt and Road Initiative, not only characterized by an overland and a maritime route, but now more than ever marked by its digital one. As a matter of fact, in a time where physical transports of whatever sort have been abruptly hit, China has been able to promptly redirect its expanding strategies in the realm of technologies and digital ecosystems through the emphasis on tools such as 5G, Artificial Intelligence (AI) and the Internet of Things (IoT). … The ultimate aim of such programs is not only a national push on innovation and technology, but also and most importantly an international primacy over digital networks and tools….