Boosting high-quality digital economic development

EDITOR'S NOTE

China's digital economic development is a focus of the ongoing 2022 NPC & CPPCC National Committee Sessions (Two Sessions). A vibrant digital economy offers great opportunities for high-quality development. This page sheds light on the path toward a sustainable digital future.

By FANG TAIKUN and HU YING

The digital economy is a new economic formation in which the key factors of production are digitalized knowledge and information, the key driving force is digital technologies, the key carrier is a modernized information network, effective information usage and communication technologies are key promoting forces to enhance efficiency and optimize economic organization. It promotes the digitalization, internalization, and intelligentization of economic development, accelerating the restructuring of economic development and governance models.

At present, innovation is accelerating in digital technology, which is causing profound changes in people's means of production, living, and social governance methods. China's in-depth implementation of its digital economy development strategy has achieved positive results.

Enabling socio-economic development

Digital technologies have improved social productivity levels. The fundamental task of socialism is to unleash and develop productive forces. Science and technology are the primary productive forces. Digital technologies can help industrial digitalization and digital industrialization to effectively enhance social productive forces. Digital technology is characterized by high innovation, ultra precision, strong universality, and excellent integration. Through in-depth integration with various fields of economic, social, and industrial development, it can digitally transform, restructure, and optimize the traditional production process, and also create new business forms, new models, and new space for economic growth.

Digital technologies are propelling transformation from traditional productivity to digital productivity. Digital technology amplifies, superposes, and multiplies economic development. It effectively drives the rapid flow, scientific integration, and full utilization of factors of production, improves total factor productivity, promotes the deep integration of the digital and real economy, and constantly drives the development of the digital economy.

The digital economy has enhanced production coordination. The digital economy can penetrate into all links of social reproduction, efficiently connect production, distribution, and consumption, while digitally recording all steps in the social reproduction process. At a micro level, consumers can customize their orders through digital platforms, while merchants can formulate production plans via order data, carry out scientific customized production on demand, and create harmony between production and marketing. At a meso level, relevant entities can analyze the advantages and disadvantages of economic development, employ big data to research fundamental laws, and formulate strategies to achieve coordinated and efficient development. At a macro level, the government can implement macro-regulation with big data.

In addition, the digital economy changes the labor model. Digital technologies are open and non-exclusive. Such characteristics are mainly reflected in workers' cooperation in labor. The use of digital platforms also makes labor management increasingly flat. As a labor coordination system, digital platforms can more effectively organize workers' labor cooperation, not only greatly reducing management costs, but also improving labor efficiency and developing harmonious relationships among workers.

The digital economy promotes common prosperity. As the digital economy can break the boundaries of time and space, smooth the flow of factors of production, promote resource sharing, realize cross-border integration, and help realize value, it empowers agriculture and rural areas and helps farmers increase their production and income. On the premise of production, the digital economy is driven by information flows, which can drive the flow of funds, talent, and materials toward agriculture and rural areas. In the production process, the digital economy promotes intelligent agricultural production through the deep integration of digital technology and agricultural industry. In terms of product sales, the digital economy can expand product sales on publicity platforms with graphics and text, livestream marketing, and fast, trackable delivery of goods. In the field of spiritual life development, the digital economy has stimulated the growth of information products, boosted the rapid circulation of cultural resources, and promoted the diversified, convenient, and efficient realization of spiritual development. At the same time, it has provided a large number of digital learning resources and new jobs. The digital economy is breaking traditions, effectively improving the utilization rate and inclusion levels of limited resources, increasingly bridging the development gap, constantly meeting the people's diversified and personalized survival and development needs, and promoting the gradual realization of common prosperity.

Boosting common prosperity

The digital economy is an important engine for building a modern economic system. Developing the digital economy is a strategic choice as we grasp new opportunities from a new round of sci-tech revolution and industrial reform. Meanwhile, it is also an inevitable move to meet the people's need for a better life. Solidly promoting the high-quality development of the digital economy is an important measure for us to embark on a journey to fully build a modern socialist China.

Innovation should be upheld as a development philosophy. Key problems with key and core digital technologies should be tackled, as attention is paid to the autonomy of digital economy development. Innovation is the first driving force to lead development. To promote the healthy development of the digital economy, we must coordinate contributing forces, leverage China's institutional advantages, massive data advantages, super large-scale market advantages, and rich application scenarios, and scientifically build an "open source" innovation system for digital technology. It is advisable to focus on R&D and apply the innovation of key and core digital technologies, to focus on breakthrough technologies in the fields of high-end chips, operating systems, industrial software, core algorithms, and frameworks, to provide strong technical support for the development of China's digital economy.

China's people-centered philosophy should be upheld. All development should rely on and serve the people to ensure the digital economy is built on the value of safeguarding people's interests. The people are the creators of material and spiritual wealth. To promote the digital economy's healthy development, we must always adhere to a people-centered development philosophy, move in the direction of common prosperity, constantly stimulate people's talents, strive to mobilize the people's strength, continue to benefit and protect people's interests, and truly realize that the development of China's digital economy is participated in, promoted, and shared by the people.

Diversified and coordinated governance should be upheld to build an ideal digital governance system to maintain a green ecosystem for digital economic development. Law-based governance is the basic guarantee for the digital economy's orderly operation. Collaborative governance is an effective means to resolve disputes. To promote the healthy development of the digital economy, we must cooperate with the government, platforms, enterprises, industrial organizations, and individual workers to scientifically build relevant systems and mechanisms, legal documents, industrial norms, and codes of conduct for the healthy development of the digital economy. On this basis, we will further scientifically define and clarify the responsibilities and obligations of relevant economic entities, creatively build a new regulatory system suitable for the development characteristics of the digital economy and form a digital governance pattern led by the government, with diversified entities' participation, and guaranteed by the rule of law.

The cultivation of digital talent should be adhered to. All people's digital literacy skills should be improved. Focus should be placed on digital scientists with high theoretical innovation capabilities and the ability to make theoretical breakthroughs, digital entrepreneurs equipped with both digital technological know-how and management abilities, and comprehensive digital talent with integrated interdisciplinary and multi-field knowledge and skills. Furthermore, a national digital literacy skill building and training system should be built to inject strong impetus into the development of China's digital economy.

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Digital economy bolsters common prosperity

By ZHAO YUAN

Today, systems around the world are digitalizing. The digital economy enables more people to connect to the internet in China, which will open a world of possibilities for socio-economic advancement. China has the largest market globally, with enterprises that have a strong innovative drive, and great development room for digital spending and investment. China's booming digital economy will drive the nation's pursuit of common prosperity.

Digital infrastructure

There are new abundant opportunities in the new round of sci-tech revolution and industrial transformation. The sound development of the digital economy will cash in on these opportunities. Therefore, it is necessary to grasp the digital economic development trends and laws, to advance its sound development.

Jiang Xiaojuan, a professor from the School of Public Policy and Management at Tsinghua University, estimated that by 2025, the digital economy would account for half of China's total economy. She firmly believes in the huge potential of China's digital economy, and sees economic opportunities in the following three areas: online-learning, remote diagnosis, and intelligent sports. Digital technologies have enabled high-quality online learning, powered remote diagnosis in the medical field, and advanced intelligent sports. The digital economy, a major economic formation in the digital era, is becoming a vital engine of high-quality economic development and plays an obvious role in promoting socio-economic development.

Digital transformation has the potential to transform societies and drive common prosperity. New technologies harbor a promising digital future and require resilient and secure digital infrastructure that is open to all. It is therefore advisable to build a high-speed, comprehensive digital information infrastructure for the green, low-carbon, secure, and sound development of the digital economy.

Digital ecosystem

A sound digital ecosystem should be cultivated for the sustainable development of the digital economy.

Ajay Banga, former executive chairman of the Board of Directors of Mastercard, believes that collaboration, transparency, empowerment, expertise, and a cyber security culture are key ingredients for a healthy digital ecosystem. Banga contends that public and private entities should partner to share information and best practices, and this will enhance the security and resiliency of our broader digital ecosystem.

A smart assembly line for electric vehicles in Ganzhou City, Jiangxi Province, March 3, 2022 Photo: CFP

Leveraging great connectivity in a sustainable digital ecosystem will provide more opportunities for people to achieve common prosperity. Brad Smith, president of Microsoft, believes that "this is a time in human history unlike any other….Seemingly overnight, entire industries have shifted to remote models. Virtual environments became the safest, preferred options for people to continue working, learning, and connecting with loved ones." Smith continued, "New and emerging technologies will transform the impact of innovation, helping us navigate risks and reduce the harm of threats such as climate change."