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The Charm Offensive of China: Assessing the Role of Digital Silk Road in Fostering Sino-EU Economic Integration

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THE CHARM OFFENSIVE OF CHINA: ASSESSING THE ROLE OF DIGITAL SILK ROAD IN FOSTERING SINO-EU ECONOMIC INTEGRATION

Laraib Farhat*

Abstract

Digital Silk Road, like Belt and Road Initiative, is an ambitious and all-encompassing inventiveness of the Chinese government, aiming to develop China as a global telecommunications network and infrastructure leader. The Global Digital order, since its inception, has been dominated by Western powers; however, with the initiation of the Digital Silk Road and China becoming a digital backbone globally, many Western powers have shown disregard for how this digital hegemony of China can be a threat to their national security. Nonetheless, besides the security implications, the Digital Silk Road brings many strategic opportunities. This paper, thus, looks into how China is advocating a softer image of itself through its Charm Offensive diplomacy and influencing actors involved in Digital Silk Road – specifically the EU – to cooperate with China vis-à-vis Digital Silk Road. This study uses qualitative and thematic analysis to determine how China and the EU can ward off the strategic implications and collaborate to build a more inclusive digital economy.

Keywords: Charm Offensive, Digital Silk Road, Sino-EU Cooperation, Soft Power, Digital Economy.

Introduction

Being strategically important, China's Belt and Road Initiative (BRI) has been the centre of discussion and investigation for many researchers. The impacts of BRI and the economic growth that it entails have been of prime apprehension. However, the growing and critical integrant of BRI—the Digital Silk Road (DSR)—to facilitate connectivity has been under-discussed, but that certainly does not conceal the upfront importance and opportunities that DSR withholds. DSR is the third pillar of BRI.¹ First and second are the road and sea, launched in 2015 as a tip of Beijing's greater vision, BRI.² However, with the ongoing Industrial Revolution 4.0 and the transition to 5.0, DSR will have more of a relevant role to play as it involves projects and investments in Artificial Intelligence (AI), smart city development, the Internet of Things, 5G technologies, fibre-optic cable construction, financial technologies, social networking and blockchain. DSR includes a list of objectives to be achieved around public policies, Information and Technology (ICT) and digital infrastructure,³ and all these

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developments are planned to be executed to carry out China's 100-year plan to re-establish its old models and appear to the world as a global leader in the sphere of digital economic prosperity.⁴

The strategy adopted by DSR under BRI is increasing exponentially, and more countries are pooling in to become part of the global connectivity chain,⁵ with the idea that this would help countries to achieve greater withholding in emerging technologies for development and trade. With the adoption of DSR, China will become a global digital backbone, and the countries involved will be more technologically synced. Thus, these countries will be expected to rely more on Chinese technologies and software, granting China more influence. On the contrary, China's idea of cyber sovereignty does not sit right with the West and European Union (EU) in general, which supports more open and transparent cyberspace. Thus, the implications of DSR can hinder the pavement for inclusive digital economic growth, but if smartly overcome with China's Charm Offensive diplomacy, it can pave the way for economic integration and inclusive digital infrastructure. For this reason, we need to look into common grounds of cooperation between the two (China and EU) because the developments in DSR have a vast potential to bring growth in the digital economic sector.

Due to the unfamiliarity of the cooperation aspect between China and the EU under the DSR umbrella, many people have yet to bat an eye at the subject matter. However, it is important to note that EU-China investment cooperation will have economic incentives in two domestic spheres: The European Fund for Strategic Investments (EFSI) and BRI.⁶ Thus, looking at the positive side of DSR, i.e., cooperation, emphasis can be made on developing a digital connectivity infrastructure and fostering economic activities on a global scale.

Theoretical Framework

The most relevant theory to this paper is the Soft Power theory by Joseph Nye. In his work, Joseph Nye contrasts two powers, hard and soft. He defines hard power as "the ability to make others act in contrary ways to their initial planning." This type of power is usually coercive and involves threats. On the contrary, soft power is "the ability to diplomatically make others do what you desire." It consists in attracting other actors rather than forcing a threat.⁷ The actions carried out by soft power are as old as human history. An example of that would be the military thinking of China for over 2000 years. Soft power has been a fundamental part of China's military thinking. The concept of soft power can also be found in Sun Tzu's work "Art of War," which clearly emphasises the strategical thinking that China has adopted since its inception to meet its foreign policy goals and objectives.⁸ This paper looks into the same soft power that China has been using for 2000 years. It mainly draws the analysis towards the DSR and how China is trying to emerge as a global digital power by becoming a backbone in global digital connectivity. While digging deeper into that, it is found that

Europe is one of the leading actors for China in DSR, but the strategic implications caused by security concerns are dithering the EU playing its part collaboratively.

As a known fact, the Western bloc is more open and transparent because of the democratic nature of their states' policies. On the contrary, China believes in regulated and censored media. The reason for that can be linked to China's history of humiliation and rising from lost battles. The rulers that ruled over China never forgot their roots and always trained their citizens to work hard and achieve the dignity and prestige they had during the Middle Kingdom. Thus, the striking contrast between China's choices and European Union's transparent cyberspace has aroused many security concerns. However, with China's effective use of soft power and diplomacy, China and the EU can avert the strategic complication and move forward along the digital economic cooperation that will be discovered through this study's findings.

Charm Offensive: China's Strategy of Influence

International diplomacy is encircled by the most rational realpolitik, which calls attention to the importance of hard power. However, social interaction via human affairs or decision-making highlights a non-rational factor. Gestures of charm, smile or affection often carry out the idea of non-rationality in human affairs. It helps shape or reshape the attitude and preferences that one hold about other actors. It can be concluded that the Charm Offensive, a diplomatic technique, is used to transform a country's international imagery. The strategic campaigns of this technique involve the political leaders using their magnetism to appeal to a global audience that can help improve the country's brand image.⁹

While quoting Theron Dumont, Brian Leggett says, "Emanate an atmosphere of good cheer, happiness which affects others in a desirable way."¹⁰ Others who lack exhibit strong ambitions, are not eye candy or do not hold the aura of magnetism. Politicians representing their countries need this personal magnetism that helps them attract an international audience toward their countries' operations. Leaders that hold charismatic personalities have the magnetic ability to attract trade, friendships and good deals. The book, *Branding the Nation: The Global Business of National Identity* explains nation-branding as a solution to problems perceived by the world and affecting nation-states. It covers the economic development of democratic communication broadly because nation-branding leads to competitiveness among different nation-states, which in return leads to attracting various resources, such as tourism, trade investments or skilled labour in search of better opportunities.¹¹

The term Charm Offensive in the history of the American press was first used in the 1950s vis a vis Soviet Union. Soviets were sponsoring a trip for opinion makers to transmit their international image.¹² However, it did not stay for long. After the Soviets invaded Hungary in 1956, their image was swiftly drawn from being peaceful to threatening in the eyes of the West, who condemned this action. Charm Offensive is often used in relevance to soft power, but there is a sheer contrast between the two.

The term soft power, as given by Joseph S. Nye Jr., focuses more on the public diplomacy a country exercises to supplement its international position. With a focus on culture, political values and foreign policy – soft power builds essential resources and comes into existence.¹³ These political and shared values help the country build an attraction and contribute to achieving these values through justness and commitment. On the contrary, the Charm Offensive is far from the assumptions of building any shared value system. They rely on the appearance and visuals that they depict through sensory deception. They create alliances built on momentarily visual deceptions rather than hard throws, which is evident in hard power theory. They appeal to the international audience through charm and achieve foreign policy goals without meaning to build on moral foundations.¹⁴

Given the age of globalisation and technological revolution, media plays a massive role in the operational execution of Charm Offensive because it offers a quick exhibit of swift image transformations that helps contribute to new foreign policy alliances. However, it is essential to note that since these alliances are not built on shared values like that of soft power, they are easily breakable. These alliances are momentarily, and they help to contribute to the needs of contemporary foreign policy: build a branding image on international media and then disappear into thin air. However, for temporary relations and decisions, Charm Offensives work the best and can be utilised efficiently to influence foreign relations.

This study looks into the soft power techniques of China and its diplomacy, which is considered an increasingly thoughtful and sophisticated approach aiming to transform the face of international relations. It took China little time to build a soft power strategy that was cogent and structured, along with the power tools built up to execute that strategy. Although China's soft power structure is still in its nascent position to grow trade and aid alongside exhibiting its public diplomacy and thus, many nations need to be made aware of the enormous influence that China has created along these lines.

Charm Offensive in the context of China was used by Joshua Kurlantzick around 2007 in his book, *Charm Offensive – How China is Transforming the World Through Soft Power*.¹⁵ Since then, this term has occupied the field of International Relations regarding explaining China's use of Soft Power *vis-à-vis* improved global image. Over the past decade, the valour of China's economic and cultural elements has not changed, but the Charm Offensive indeed has. In recent years, it has been replaced by a softer term, Public Diplomacy, to portray China's status and efforts through peaceful means rather than any strategically deceptive term.¹⁶

In 2011, China issued a white paper on "The Path of China to a Peaceful Development." In the proceedings, China proclaimed itself as a preacher of peaceful rise and development to the world. China made it very clear on the 90th anniversary of the Communist Party of China that the move made by China to the road of peaceful development is a strategic choice and is in response to the realisation of contemporary modernisation. In early 2000, China's Charm Offensive was already on the road to

achieving Beijing's leadership goals. It focused on reaching the desired stability and peace with all countries, specifically those on its borders, ranging from Vietnam to Laos, colossal Russia and North Korea. Nevertheless, the term Peaceful Rise was first used by Zheng Bijian, an influential senior advisor to the Chinese government. No, later than this, the term became a common rhetoric in many Chinese speeches. However, Peaceful Rise was later replaced by Peaceful Development as the word 'rise' was considered more menacing and sounded quite proactive, representing China as more powerful and assertive than a calm nation.¹⁷ Thus, China claims that even when it becomes global power, it will not threaten any government, and its rise will be peaceful and not at the cost of any other country.

It is important to note a correlation between the Charm offensive, Public Diplomacy and Peaceful Rise. All these three are existent because of each other. China's Charm Offensive exists not just on paper; more sophisticated terms like Public Diplomacy replace it. Public Diplomacy takes action to carry out China's narrative of Peaceful Rise. It began in 2007 when President Hu Jintao highlighted the importance of Public Diplomacy in China by relating cultural values to strengthen national power. Focusing on the weightage of culture, he correlated soft power as a guarantee of strengthening public diplomacy. Thus, among all actions taken to facilitate the process, general diplomatic practices like internationalising Chinese media, building up to mark Chinese movies and upholding the spread of Confucius Institutes top the priority list of Chinese foreign policy objectives.¹⁸

Being done on the platters of Charm Offensive, all these efforts, in the least, confirm the fact that how China is portrayed Internationally is what drives the foreign policy of China¹⁹ and thus, to conform to it, the incorporation of soft power theory in China National strategy was accommodated in the Hu Jintao era (2003-2013). Succeeding his Era, Xi Jinping's government (2013-present) picks up a similar concept to strategically include the soft power concepts in China's political patios. However, to officially document it, in 2009, a diplomacy office was established on the state and departmental levels as the official body source for managing and coordinating all public diplomacy-related tasks. In 2012, an informal channel, China Public Diplomacy Association, was established in Beijing as a track two diplomatic channel. Following Beijing's call to incorporate Public Diplomacy, several other public diplomacy associations were established in the private sector. Regionally, 15 public diplomacy associations have also been formed in major cities like Shanghai, Tianjin, Nanjing and Guangzhou.²⁰ The subject matter of public diplomacy has been given primary importance not only at the government level but academically. That establishes the Centre for Public Diplomacy at Tsinghua University (2011), the School of International and Public Affairs at Jilin University (2013), and eight other higher education and research institutes.²¹

Besides all the institutional establishment, it is of prime importance to note that the concept of Public Diplomacy did not grow out of any unconnectedness. Instead, it is a built-in response to 'China's threat theory' developed by its opponents

regarding its rise. Succeeding the Hu Jintao government, President Xi Jinping launched a new guiding concept for China's foreign policy, i.e., "China Dream is the great rejuvenation of the Chinese Nation."²² Presently, how the concept was to be carried out had little to no hints available; this is where Public Diplomacy filled the vacuum and launched its action. How China will be rejuvenated depends on how well China orchestrates its public diplomacy. Thus, the success of the Chinese dream rests upon the triumph of public diplomacy that will paint China's affluence globally.

China under DSR: Application of Charm Offensive on Sino-EU Economic Integration

A critical Chinese Foreign Policy direction, the Charm Offensive, has been endorsed under the 12 Measures Strategy that wishes to catalyse cooperative correlations between China and European countries.²³ The underlying theme of the measures, generally credited in the form of economic pledges, has been designed to empower China by stimulating Chinese imports to European countries. The steps are also directed at investing a keen interest in non-economic cooperation through research funds and boosting tourism. At its foundation, the Charm Offensive of China is designed as a multifaceted stream of actions and practices that, in the guise of collaboration between China and Europe, wishes to give China digital power in the region. The general construct of DSR is that it would magnify the scope of digital operations worldwide by boosting China's ability to manage digital operations. The general shift of digital activities, currently based around the US and Europe, will dilute transactions towards a greater surface area, thus increasing attention towards digital transformation and practices.²⁴ As such, one finds that the general construct of DSR will further stimulate the digital economy, allowing it to become home to more significant digital transactions, practices and information that can further boost the global economy simultaneously.

a) China and Its Role in Becoming the Digital Backbone

China has built its mettle in the digital transformation industry for decades. It has emerged as a progressive digital player in countries that had been boasting about their technological might in the past. The government may have portrayed an image that seemed averse to technological innovation. However, a comprehensive analysis of the network structure in the country discloses it to be one of the most significant innovators and adopters of technology. With a vast majority of its consumer base— young and eager to adopt technology—the country cashed upon these small but definite figures to engage the consumers at a localised scale, thus catalysing the process of technological innovation within mere years as opposed to its technological counterpart.²⁵ The strategic guidance of the country management to drive interest towards innovation can be identified by the technological giants Baidu, Alibaba and Tencent (collectively known as BAT) that spurred change in consumer expectations and ways of living by giving them access to the multifaceted and multi-industry digital ecosystem. The extent of the importance of and emphasis on digital innovation can be

highlighted by the fact that the government has enormously boosted companies that showed potential in experimenting with technology and progressing in the field. On the other hand, the country characterised digital transactions by developing and endorsing e-commerce with every country that finds itself on a digital forum, thus magnifying the scope of its digital industry to be larger than that of the leading players in the field, such as Germany, Japan and the UK.²⁶

Kean and Chen further highlight that a drastic and strategically designed change was enacted in the country when Nye's concept (1990) was integrated with a policy framework to align the idea of a rising China with comprehensive national power. The respective change in the country, further characterised by BAT, was recognised as akin to digital disruption in the nation. However, the ability of the nation to digitally transform the world with its technological innovation was recognised with the introduction of One Belt One Road, which changed the position assumed by China on the technological landscape.

A study in 2007 emphasised the changing role of China in digital transformation by highlighting the change in retail e-commerce transaction value of different technological innovation players. By 2005, China accounted for less than one per cent of retail e-commerce transaction value, which changed to 42.4% by 2015 for the country. On the other hand, the researchers found that mobile transactions and payments grew in the country to the point that they were 11 times more than the mobile payments conducted by American residents. Lastly, the researchers used the number of unicorns to inform about the changing landscape of technology in the world, exemplifying that the number of unicorns in China increased to 34% by 2016 with a global firm valuation of up to 43%.²⁷ As of 2022, the numbers of unicorns in China have rose to 312 in almost six industries, including health, technology, artificial intelligence, e-commerce, semiconductors, SaaS and enterprise service.²⁸

At its foundation, analysis finds that China plays the role of a silent player in the world of digital technology, slowly changing its position from a technologically adverse country to one of the biggest tech giants and bound to become one of the principal digital players in the world with the DSR initiative. The extent of digital change in the country can be highly pointed out because the country is likely to shift the global digital landscape from the US and EU to Asian countries.

b) Sino-EU Economic Cooperation under Charm Offensive Influence

Coined by Kurlantzick in 2007, the term Charm Offensive referred to the strategic tact employed by the Chinese government to maintain a politically soft and diplomatic stance when developing relationships with other nations. Tony Tai-ting Liu, in his article, posits that the term was later replaced by Public Diplomacy when the ability of China as a political and cultural charmer emerged across the world.²⁹ At its foundation, the Charm Offensive of China is a key step that the country has adopted to pave a smooth path towards characterising DSR by acquiring the aid of different digital powers, mainly Europe. The analysis finds that the country has been

using its Charm Offensive to convince Europe to collaborate or dismiss its opposition towards developing a successful DSR. The core theme of influencing Europe to cooperate with the Chinese DSR is to enable it to collaborate with individual European firms. Ghiasy and Krishnamurthy highlight that the top recipients of DSR investment are large European economies such as Germany and Italy, so China has been pursuing its Charm Offensive to develop positive bonds with European countries.³⁰ Bora informs that Europe is the Western end of BRI, a simple factual statement highlighting China's importance in the Sino-EU collaboration for DSR.³¹ For the past three years, China has been trying to sow the seeds of good ties with local and regional players across the strategic aisle. Among all, Europe is at the top of its priority list. The EU has gained this position not out of a vacuum but due to its broad-ranging market, considered the world's second-largest,³² its strategic geopolitical location and a historical legacy of being between the US and Russia (and China) as a buffer zone. For these factors combined, China wants to secure Europe as an ally to achieve its foreign policy goals, including influencing the EU into the liaison of DSR.

Bora emphasises that DSR can “broaden economic transition, strengthen regional integration, and support financial sources to boost global multilateralism and political stability.”³³As such, China has been focusing on its Charm Offensive to design a system that will empower the Chinese government to characterise the growth in DSR, which can boost multilateralism worldwide. Brown underpins the historical relationship between China and Europe as a mutual strategic alliance that experts on each end have cherished for a progressive development over time. As such, any strategic partnership between China and Europe at the most recent stage can only be made possible if both parties find common ground.³⁴ China could use its Charm Offensive to highlight the benefit of DSR and the corresponding shift in power it would bring for both.

Sino-EU Economic Integration; Analysis and Discussion

After in-depth semi-structured interviews, thematic analysis was applied to the acquired data for accurate and efficient results. Thematic analysis is a common approach for analysing qualitative data in many disciplines and domains, and it may be applied in various ways to datasets and research topics. It is one of a group of approaches aimed at detecting patterned meaning in a dataset. Thematic Analysis is best conceived of as an umbrella name for a collection of qualitative data analysis techniques that all emphasise discovering patterns of the meaning in qualitative data. The many forms of Thematic Analysis tend to share certain theoretical flexibility, but they can vary significantly in terms of both underlying philosophy and processes for creating themes.

Thus, this paper deals with the research's question: how can China and the EU cooperate along the lines of DSR for inclusive development of the digital economy? The themes developed from the codes extracted through collected data are Global Digital Connectivity, Digital Silk Road and Trade Opportunities, and China and Data

Surveillance. To discuss the paper's central argument, "How can China and the EU cooperate along the lines of DSR for inclusive development of the digital economy?" the results are analysed using thematic analysis and then described below as a narrative to understand.

a) Global Digital Connectivity

DSR, a vital element of China's BRI, is a progressively scrutinised side of China's policy toolbox that mixes the efforts of the Chinese government with Chinese tech companies. It covers many areas, from telecommunications networks to smart city projects, e-commerce, Chinese satellite navigation systems, cellular networks, storage systems, etc. If looked closely, the infrastructure of BRI, along with DSR, looks like a casting net thrown over the globe where China has control over the hand line, and every weight of that net covers a country in the world. It is China's projection technique of its soft power while monopolising global communications and telecommunications infrastructure. One way to justify this monopoly is to defend China's national security. Since its inception, global communication networks have been subjugated under foreign powers, and the digital connectivity being delivered to the globe is influenced by Western cables. Thus, China's monopoly over global digital communication through DSR is just another foreign policy goal to protect China's national security interests. According to one of the interviewees, the Chinese government lacks trust since the West controls most communication lines.

Besides that, DSR is a project that cannot be disregarded at any cost, especially in the post-Covid scenario. The world is transforming from traditional to digital means, education to businesses, the health sector, smart cities, financial technologies and digital communications; the role of digital connectivity has increased manifold.

b) Digital Silk Road and Trade Opportunities

"Digital Transformation will bring Economic growth." ³⁵ The world is looking at possibilities through digital platforms or technologies, and therefore, it has transformed trading opportunities from sea routes to the railway and now digital trading routes. Through DSR, the EU and China can build upon a sustainable digital economy and trade digitally. Thus, the EU wants to cooperate with China to advance its ambitions. Similarly, the business brought about by digital connectivity is a crucial aspect of digitalisation. Every country needs to be on high-speed connectivity because a tiny second of disconnectivity can cause millions of losses in trade. The urgency of DSR is to provide digital connectivity to every country and build an inclusive environment of an all-encompassing digital economy.

In the case of the EU, it is the second biggest trade partner with China and wants to develop a sustainable economy with the help of China, as China emerged successfully after the 2008 financial crisis when Europe failed to recover. Moreover, with the help of China, the EU wants to upgrade its infrastructure and market so that

the unemployment factor is resolved. Doubtlessly, the EU is a mixture of rich and poor economies; thus, digital trade through DSR will help the EU improve the economies of countries like Greece and Italy and uplift economic conditions.

Subsequently, the EU is an economic union of 27 member states and an estimated population of about 447 million. It is the largest trade partner with a considerable investment and FDI market. Strategically stating, the EU is considered a partner of the US, and thus, China engaging the EU in terms of AI, connectivity and trade is a strategic move on the side of China, giving it the benefit of the doubt. “China is an important trade partner, and EU cannot avoid it because they are either buying from China or selling to China.”³⁶

The EU recently announced Digital Decade, which aims to empower companies and people in a human-centred, sustainable and prosperous digital future. However, the EU does not have an established strategy for its Digital Decade and no clear plan for how it will carry out the connectivity, but it has come up with plans for digitising the European economy, and in that case scenario, both initiatives (DSR and EU Digital Decade) can hopefully coexist. Conversely, trade fostered by DSR is unavoidable, as China has its hand in every market and is expanding even further. Thus, DSR is about conducting trade with Euro-Asia, Central Asia, Europe, and East and Western Asian countries, and in this case scenario, there are many opportunities for Europe as China has a vast consumer market and is a substantial exporting country to the European states.

c) **China and Data Surveillance**

Data Surveillance is the biggest concern of the EU, and it is highlighted through statistical data collected during a survey in the EU which resulted in only 6% of the people stating that China handles the data safely. As data is the growth engine of AI, according to a report in 2018, only 33 zettabytes of data are present in the world; in 2025, it will be 175 zettabytes. Currently, China’s data growth is the biggest in the world, and it is helping China determine what to make as a product and the market’s response. On the other hand, Western e-markets already imply this strategy through surveillance capitalism.³⁷ Western media is already gathering more data than needed through its social media platforms (Facebook, Instagram, WhatsApp and more).

Estimated, in the next ten years, every country connected through BRI or DSR will have a Chinese system or digital connectivity available. However, in this regard, China will have its model, but that model has to be compatible with already existent cyber governance models and not be an alien system. In the case of the EU, it has to have a system that is more aligned or compatible with China’s system so the EU can attract more trade and tourists. Similarly, at this moment, there is a luxury war going on between Trade and Data. As mentioned by an international interviewee, “When you are a weak country, you need more trade than you need data.”³⁸ This justifies China’s data surveillance, as China has reached a threshold from where it needs the data to determine the market demand or consumer desire.

Results and Findings

As per the analysis drawn from the data collected, it is evident that China's strategy behind influencing the EU into cooperation through DSR has three strategies in line. Firstly, by connecting the countries of BRI through DSR or by digitalising the BRI, China will be able to open new and large markets of Chinese Tech giants and pave the way for China to have primacy and greater autonomy in the global digital order. Secondly, China aims to reduce its dependency on other tech leaders like the US, EU, Japan and other Western countries by enhancing its digital companies like Baidu, Alibaba and Tencent (BAT), to gain a position in the global digital order. Thirdly, many Western countries recently banned Chinese companies like Huawei and its 5G technologies from operating in their countries. Therefore, China has been isolated in these fields of technology, and it was an attempt by the US and other countries to restrain China from becoming a part of the global digital order.

DSR has become an essential element of China's foreign policy goals, and it utilises this factor as a tool to become equal with other states, have a foothold in technology and influence other markets. The EU will be an important partner for China in all these strategies to follow the pursuit. However, there are several challenges attached to DSR, including cyber security, acts of espionage and covert monitoring systems, but if the benefits of DSR are scrutinised, then it outweighs its challenges; thus, DSR is an excellent opportunity for the EU.

Conclusion

To sum it up, this study looks into DSR as aimed at facilitating connectivity all over the globe. Since BRI is traditionally based on old models of infrastructure projects, the additional component of digitalisation has given life to China's ambitions of boosting its tech expansion.³⁹ The impetus behind this study was the lack of literature on the subject matter, and the aim was to make this research a policy guide for China and the EU in facilitating connectivity in conjunction. Nonetheless, the idea of DSR layering with its connectivity, the three continents, especially the EU, brings a lot of strategic complications for the Sino-EU cooperation. Specifically, concerns like espionage, cyber sovereignty, censored e-governance, and China's global digital connectivity have caused disruption in the EU, which let them challenge China at WTO to defend its high-tech sector.⁴⁰ Thus, the central theme of this research is to look into the possibilities of cooperation between China and the EU by applying China's Charm Offensive diplomacy in the Digital Economy facilitated by DSR.

To dig deeper into the possibility of cooperation, this study, through initial analysis of existing literature, has identified Charm Offensive Diplomacy as a means of China's utmost strategy to cooperate with the EU. The concept of the Charm Offensive is designed to withhold China's soft power theory and translate it into its Charm Offensive Diplomacy while keeping in the loop China's other foreign policy tools like Public Diplomacy. A clear distinction and an intelligent correlation between China's

soft power, Charm Offensive and Public Diplomacy, has been made in this study which put forth a strategised way of how China is applying all these three in its actions and as tools of its foreign policy.

The rundown of this whole study gives an idea of how DSR is more than just a foreign policy effort; it also has a vital domestic component. Domestically, it aims to realise Beijing's "Made in China 2025" goal by building capabilities in existing and upcoming technologies like quantum computing, driverless cars, cloud computing, and AI. Secondly, it opens a pool of opportunities for partner countries regarding connectivity and trade activities that will connect their domestic markets in the space of internationally operating markets, giving them a boost of economic growth brought by digitalisation. Lastly, it communicates how China has altered the British colonisation model into a replica but by softer means where it is "monopolising over the digital order via consent, not coercion."⁴¹

Moreover, it also focuses on the strategic complications caused by DSR while taking over global telecommunications. Howsoever, the connectivity brings along cyber security issues that restrict the EU in its decision-making for cooperating with China. The concern of the EU is genuine, as China is widely considered a data-centric country, but other foreign powers have already collected the data pool through different means. In a world of social media, data is neither secured nor protected, but instead, it is used for better surveillance activities like that of surveillance capitalism, which determines the market demand and produces articles in the market accordingly.

The findings of this paper determine the areas where both China and the EU can cooperate while warding off strategic complications and working in an aligned synergy, forming a long-term partnership. The primary data collected through interviews gave the go-ahead for the EU to cooperate, as there is no other solid way where the EU can work to uplift the declining economy. However, the policy reform of DSR is an excellent opportunity for the EU to cooperate with China and boost a Digital Economy of its own for better and more efficient Digital Development.

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