

Digital Economy And Pragmatic Cooperation Among BRICS

Shen Yi Professor

Director of the BRICS Study Center, Fudan University

Since the word “digital economy” was first mentioned in 1995, the relevant practices of the digital economy and the understanding of this concept have undergone tremendous changes. At present, the digital economy can be regarded as an economic system based on the extensive use of digital information technology represented by the Internet, and has constructed a new environment and a new form of economic activity. From a practical point of view, the boundaries of the digital economy continue to expand, and the boundary with the real economy is increasingly blurred; in other words, the digital economy is the product of the continuous penetration of communication information technology and its applications into the real economy.

The global society is becoming more and more interested in the digital economy. One of the most important reasons is that the development of the digital economy is expected to solve the problem of insufficient current global economic growth kinetics, as the OECD pointed out in its report, “Monitoring and understanding information. The role of communication technology and the Internet in the overall economy is a priority.” Enterprises that have an increasingly important impact on the global information industry also recognize that a strong ICT infrastructure is an important driver of economic quality growth; five key technologies of broadband, data center, cloud computing, big data, and the Internet of Things are being and continue to be. The transformation of the national digital economy; countries in different stages of ICT development need to find a digital transformation model suitable for their own development; due to different ICT investments and the stage of development, each country's digital economy benefits vary.

Because of the rapid development of the digital economy and the strategic significance of regaining a stable source of global economic growth, and the realization of the global sustainable development agenda of 2030, the digital economy has become a new issue in the rapid rise of global governance. In order to promote better research on the digital economy from the perspective of global governance, T20 has established a dedicated digital economic mission force, hoping to aggregate the research strengths of all parties within the G20, systematic, comprehensive and in-depth understanding of the figures. Opportunities and challenges brought about by the economy, and collaborative research to achieve effective governance of the digital economy. China, as one of the most typical countries in the global digital economy practice, has the most outstanding results and is willing to assume its own corresponding responsibilities.

Based on the existing practices and research results, the focus of the digital economy under the global governance framework can follow the two main directions

of economic development and social impact. In the three dimensions of global, regional, national and individual, the sequence is developed to form several major Focus area:

1. The impact and response brought by the development of the digital economy. The development of digital economy has had a significant impact on the economic activities and social operations of countries around the world. It is necessary to conduct an in-depth study based on the same standard from the perspective of global governance to better understand the internal mechanism and explore the corresponding figures. Economic development needs and a general solution that can be learned.

2. Research on the new dynamic mechanism of digital economy and global economic growth. As reported by organizations such as the OECD, the digital economy itself has performed well during the global economic crisis, but its contribution to employment growth is still weak. How to better transform the digital economy into a new driving force for global economic growth is worthwhile. A new topic area of high concern and in-depth research.

3. Promote global cyberspace security strategic cooperation and new governance order research required for constructive cooperation and collective security. Based on the increasing importance of global cyberspace to countries, it is becoming more urgent to create a new global cyberspace order that is safe, stable, and mutually trusting for the development of the digital economy. Achieving global cyberspace security, ensuring trust and strategic stability among key actors, and building a new governance order that points to critical infrastructure and important resources should be the main task of the digital economy research platform under the T20 framework.

4. Substantially eliminate the “digital divide” at the global, national and individual levels, laying a solid foundation for advancing the digital economy. As scholars such as Joseph Nye pointed out, the communication information technology revolution takes place in the existing political, economic, and social structures. Because the distribution of resources and capabilities is uneven in these structures, the existence of the “digital divide” is an objective fact. The digital economy research under the T20 framework should focus on the global divide from global, country and individual levels, and the digital divide caused by income and other factors, laying a solid foundation for the digital economy to achieve sustainable development.

Based on a preliminary study of the connotation and development of the digital economy, and taking into account the current state of global economic development, we believe that promoting global governance of the digital economy, restoring the momentum of global economic development, and building a benign global economic environment are crucial. important. To manage the digital economy, the most important thing is to balance the distribution of income and cost in the development of the digital economy, to ensure that the sense of acquisition is symmetrical in all levels, and to promote the recognition of the digital economy rather than exclusion in the standard of living and psychological feelings. In this regard, G20 members should conduct more diversified and extensive practices to ensure that the digital economy serves the goal of achieving sustainable growth in 2030, effectively responding to the

impacts of the digital economy, and building a global foundation for mutual benefit. The overall thinking of the community of human destiny, using innovative ideas to achieve effective governance of the digital economy.

In order to achieve the above objectives, the BRICS countries, as one of the most representative multilateral platforms of emerging powers, should form a common understanding of the development of the digital economy and the construction of a digital economic governance model, and actively implement them. To this end, the following recommendations are made:

1. Continue to deepen the implementation of the BRICS summits on the development of the digital economy, safeguard and maintain network security, promote the strategic intention of cooperation such as the new industrial revolution, form a consistent understanding of the BRICS countries, and strategic planning to further clarify the short-term and medium-term Digital economic governance goals, and encourage the parties to issue the necessary strategic initiatives and assessment reports at the annual summit.

2. Form an information sharing mechanism within the BRICS to promote digital economic governance, increase broader policy exchanges on new forms of digital economic development and their links to employment growth, and encourage behavior among members of the BRICS countries. Body, including research institutions, think tanks, universities, companies, etc., to build a research network, publish a special series of reports; encourage researchers, policy makers and digital economic practitioners to actively exchange information based on information sharing mechanisms, promote the establishment within the BRICS More replicable examples of digital economic development practices; encourage countries to build digital economic development strategies and regulatory systems that are in line with their own characteristics, and actively cooperate in building global game rules that are conducive to the development of the digital economy; encourage countries to publish separately or jointly Reports conducive to the development and governance of the digital economy, explore and improve the network security and international cooperation strategies and corresponding paths that serve the development of the digital economy.

3. Improve the security, openness and transparency of the digital economy, establish and consolidate the international standards needed to develop the digital economy, and leverage the strategic potential of the BRICS countries. In-depth communication on issues such as transparent network algorithms, proper use of information technology, and cyberspace security specifications, and a secure, open, free, and orderly digital environment based on rules and with strong predictability at the global level.

4. Increase attention to the economic and social impact of technological innovation, and set up special groups such as income distribution, social security, and labor training to promote the establishment of government, business and social partnerships among member states, and strengthen policies such as digital economic regulation and social adjustment. Exchange of information in practice to promote more inclusive and fair innovation.

Establish a “financial technology” research group under the BRICS framework to promote the development of global standards for financial technology and strengthen cross-border regulatory cooperation in this area. In the four major areas of financial technology development, namely crowdfunding and P2P; third-party payment and cross-border e-commerce; blockchain and digital currency; big data and artificial intelligence, effective research cooperation. At the same time, through the research team to promote the cooperation of governments, financial institutions and financial technology companies, through the implementation of best practices and case bases, to achieve "dry middle school" and accelerate the development of financial technology. On the one hand, it actively promotes the development of blockchain and digital currency technology, on the other hand, it reduces financial risks and prevents cross-border money laundering and severe arbitrage based on blockchain technology, so that it can better serve the real economy. In the near future, we can focus on the following research and regulatory cooperation: how to establish a multi-dimensional, operational and reproducible cross-border clearing payment system standard based on blockchain based on the approval of central banks.