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China's Digital Economy: Making the future of shared wealth possible in a world that is connected



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I. A New Dawn: The Power of a Common Goal

Picture a smallholder wheat farmer in Punjab, Pakistan, sitting under a basic solar-powered roof and using her smartphone to look at a digital marketplace. She isn't seeking for goods to buy where she lives. Instead, she uses a Chinese agri-tech platform to connect her products with buyers in three countries. The platform also gives her real-time prices for items and micro-insurance through an AI-enabled finance business. A thousand miles away, at a bright smart factory in Guangdong province, robotic arms move in perfect sync. AI systems make production lines work better on the go, which cuts down on waste, boosts output, and lowers carbon emissions by a big amount.



These aren't just fantasies of a perfect world. They are pictures of a future that is soon becoming actual because of China's remarkable digital economy.

In a world where technology changes quickly, inequality is growing, and we all need to grow, one very crucial issue needs to be answered: How is China's digital economy offering up new avenues for everyone to be successful? This post will delve into the answer, which may be found at the intersection of innovation, infrastructure, and working together with other countries. The best way to say this is President Xi Jinping's idea of a Community with Shared Future for Mankind. "We should create an open, fair, just, and non-discriminatory environment for digital development," President Xi said. This idea is not just talk; it is the philosophical engine behind China's ambitious Digital China strategy and its outward extension through the Digital Silk Road (DSR).

II. The Growth and Size of China's Digital Economy

The numbers are alarming, and they are important. By 2024, China's main digital economy sectors were worth roughly 10.5% of GDP, or about 14 trillion yuan (nearly USD 1.95 trillion). This number means that China's digital sector is as big as or bigger than the economies of most other countries on Earth. Under the new five-year plan framework, China wants to raise its share to



around 12.5% of GDP by 2030. This illustrates that the digital economy is not simply a side show; it is the primary event in China's drive to modernize its economy.

This expansion is also striking because it is happening so quickly and strongly. China's online retail sales continuing going up in early 2026 since there are more than a billion internet users who are tech-savvy. More than half of all online sales in the world happen in China. This is a huge quantity of digital trade in one country, which also serves as a test bed for worldwide digital trade norms. China is likewise creating a lot more data. The country made more than 41 zettabytes of data in 2024, which is 25% more than the year before. Data is the new oil in the 21st century's economy, and China is becoming the biggest producer and refiner of it.

China had built over five million 5G base stations all over the country by the end of 2025, making it the world's largest next-generation wireless network. This isn't simply a significant stride forward for infrastructure; it's the nervous system of a digital superorganism that allows smart cities, self-driving vehicles, precision farming, remote surgery, and smart manufacturing viable on a scale that has never been seen before.

These data tell a dramatic story: China's digital economy is not only developing, but it is also becoming a key participant on the world arena, which will have a big impact on every country that aspires to be a part of the digital century.

III. Key factors that have contributed to China's success in the digital realm

3.1 Digital Shopping and E-Commerce

China's e-commerce power is unmatched. Not only have sites like Alibaba's Taobao and Tmall, JD.com, and the swiftly developing Pinduoduo turned the internet into a company, but they have also transformed shopping, shipping, and personal finance all at the same time. Live streaming shopping, social media, and rapid delivery have come together to make a retail environment that is unlike any other in the world. Countries that are developing and looking at China's model should benefit from it: e-commerce is not just about buying and selling; it is also a method to incorporate people in rural regions, start businesses, and advance up the economic ladder.

3.2 The AI+ Initiative: Where Intelligence and Business Meet

China's "AI+" plan, which intends to use artificial intelligence in every sector of the economy, from manufacturing and logistics to healthcare, education, and financial services, may be the most essential portion of the country's digital strategy. Chinese companies are now using hundreds of big AI models. The DeepSeek series, in particular, has gained a lot of attention throughout the world for how well it works and how well it competes.

China is also making a lot of headway in building high-performance computer infrastructure and AI chips. This will give the government more control over its own AI and make it less dependent on technology from other countries. A big part of the 2026 policy agenda is getting AI into the "real economy," which entails linking smart systems to schools, hospitals, farms, and manufacturing floors. This isn't a novel scholarly theory about AI; it's using AI to increase national productivity and support growth that includes everyone.

3.3 The Digital Infrastructure Revolution with 5G and 6G

China has constructed the world's biggest high-speed wireless network. It has approximately five million 5G base stations in use. The repercussions radiate outwards: ultra-low latency communications, enormous IoT deployments, connected autonomous systems, and the underlying infrastructure for smart cities. China's research centers and phone firms are already spending a lot of money on developing 6G. This is the next wave of connectivity that will transform how people, machines, and data work together in ways we can't even begin to comprehend.



3.4 Data as a Key Element in Production

In 2026, China will move forward with one of its most critical strategic reforms: creating a unified national data market. China is putting in place laws and institutions to make sure that data can move safely, autonomously, and profitably between different sectors. They think of data as a basic



factor of production, along with land, labor, and capital. This is a policy area that affects everyone in the world, and China's experience will likely change how data is handled in the future.

3.5 Mobile Payments and Financial Technology

Digital payments are very different in China than they are in the rest of the world. Platforms like Alipay and WeChat Pay have made cash transactions a thing of the past for hundreds of millions of people. Many cities are now using and testing the digital renminbi (e-CNY), and its reach is rising over time. China's fintech ecosystem has helped people who have never been able to have a bank account before, like people who live in the country and have never had one before. This is a very significant paradigm for economies that are still growing around the world.

IV. The Digital Silk Road: Connecting People

A lot of people think that the Belt and Road Initiative (BRI) is China's main strategy for developing roads and bridges and linking with other countries. People don't talk about the Digital Silk Road (DSR) as much, but it's another essential aspect of it. The DSR was made as a clear aspect of BRI cooperation. It shows that China is eager to share not just physical infrastructure with partner countries in the Global South, but also digital architecture, knowledge, and opportunity.

There are a lot of diverse initiatives in the DSR. Some of them are developing fiber-optic networks and underwater cables, setting up data centers and cloud computing nodes, rolling out 5G networks, expanding Chinese e-commerce platforms into partner markets, sharing AI resources, and training digital workers. The DSR is more than simply a company; it has a clear moral goal: to close the digital gap and make digital development attainable for everyone in the globe.

"Connectivity is prosperity; isolation is poverty." This is a guiding principle for BRI and DSR cooperation and indicates how China thinks that shared infrastructure is the route to shared futures.

The Digital Silk Road enables countries in Africa, Southeast Asia, Central Asia, and South Asia, including Pakistan, something that traditional development money rarely does: access to cutting-edge digital infrastructure without the normal limitations that come with Western technology



partnerships. Chinese IT businesses including Huawei, ZTE, Alibaba Cloud, and Tencent are building networks and ecosystems in nations that are partners in DSR.

The DSR also helps with what experts call "soft connectivity." This means making digital standards more consistent, working together on rules, and improving countries' skills so they can fully engage in the global digital economy. The DSR is a true way for South-South cooperation since it looks at the whole picture and covers things like creating hard infrastructure, sharing information, and making institutions better.

V. Pakistan and the Global South: A Digital Partnership in the Works

The China-Pakistan Economic Corridor (CPEC) and the Digital Silk Road coming together is arguably the best possibility for Pakistan to grow in this generation. CPEC 2.0 is now working on digital infrastructure, which is a major priority. Energy, transportation, and industrial parks are also quite important. This isn't a coincidence; it demonstrates that everyone thinks that Pakistan's ability to take part in the digital economy is important for its future success.

Pakistan and China are working together on more and more digital projects. Chinese businesses have done a great job of developing 4G coverage across Pakistan's telecoms infrastructure. They are now working on the move to 5G networks. Fiber-optic tunnels that link Pakistan to China and eventually to global internet exchanges are a strategic improvement that could revolutionize how people interact.

Pakistani companies are obtaining access to Chinese e-commerce platforms and know-how. This helps them sell handicrafts, farm products, and made goods to people in China and the surrounding area. Adding Pakistani items to platforms made accessible by Chinese technology is giving small and medium-sized businesses new methods to reach clients outside of their own country or region.

Pakistani and Chinese universities are working together more and more on research into AI and technology. Pakistan needs more qualified individuals to make the changeover to digital technologies. technologies transfer agreements, cooperative innovation centers, and scholarship programs are helping to grow that workforce. This ecosystem needs the Pakistan Research Center for a Community with Shared Future (PRCCSF). It facilitates the sharing of ideas, policy analysis, and research that helps both countries establish the frameworks for broader digital engagement.

The potential goes even further. More than 60% of Pakistan's people are under 30, thus there is a big demographic dividend that can be unleashed by teaching people digital skills. The digital aspect of CPEC might be the biggest change in Pakistan's history if it gives young people the infrastructure, training, and access to markets they need to join the global digital economy.

VI. Problems and the Path to Honest Progress

A fair review must consider the issues associated with this digital revolution. A lot of people want China to be able to make its own technology. It takes a lot of time, money, and skill to make innovative semiconductors, cutting-edge AI processors, and sovereign software stacks. The fight for technology around the world, notably between the US and its allies, is heating up. This is making things harder for supply chains, standards bodies, and technological alliances.



There are a lot of arguments and disagreements throughout the world over data governance concerns such data sovereignty, privacy protection, cross-border data flows, and how to control AI systems. As China builds its data market frameworks, it will need to keep talking to other countries and show that it is committed to being open in order to meet international standards.

Countries that are part of the Digital Silk Road, like Pakistan, have significantly varied skills when it comes to handling, controlling, and fairly benefiting from incoming digital investment. We need to work on these problems for a long time at home and with other countries: making sure that digital gains accrue to poor communities instead of simply big cities, building robust digital regulatory frameworks, and creating local tech industries.

China's stated position, along with its increasing involvement in international digital governance forums, promotes working together, getting good results for everyone, and having many countries make laws. One of the Digital China strategy's goals for 2026 is to engage with other countries to



develop norms and standards for the digital world. This shows that China wants to work with other countries to make the digital world a better place.

VII. The Invitation of Our Time: A Digital Future for All

This is a highly important time in the history of the world. The digital revolution is altering more than just economy. It's also transforming how we interact, create, learn, and have power. The rules of this revolution, who benefits, who is included, and who is left behind will have an impact on the development of civilization around the world for many years to come. One of the most important elements that is driving this story as it unfolds is China's digital economy. It is large, moves quickly, and wants to connect with the rest of the world through the Digital Silk Road. Its achievements in e-commerce, AI, 5G infrastructure, digital payments, and data governance are not only good for the country; they also add to the world's knowledge, practice, and opportunities.

The idea of a Community with Shared Future for Mankind goes beyond just diplomacy. It is a plan for a world where technological progress serves human dignity, where connectivity brings people together instead of pushing them apart, and where the countries of the Global South, including Pakistan, are not just passive recipients of a digital order made somewhere else, but active co-architects of a new one.

"Technology should bring countries together, not tear them apart. China's rise in the digital world is not a story of competition with no winners; it is an invitation to work together, come up with new ideas, and do well together."

Students, researchers, and policymakers who are thinking about these issues should remember this: strengthen partnerships, invest in the knowledge infrastructure, make it easier for people to talk to each other, and believe that in a truly connected world, one person's success can lead to everyone's success.

China's digital economy is shaping the future. The invitation is extended to all countries that want to help make the world a better place for everyone and partake in the spirit of shared prosperity. There is no place to go in the digital future. We need to do this trip together.