

A Digital Empire in the Making: China's Outbound Digital Platforms

MICHAEL KEANE
Curtin University, Australia

HAIQING YU
RMIT University, Australia¹

In this article, we use the example of e-commerce giant Alibaba and its outbound activities in the Asia-Pacific to illustrate how China's digital platforms have become part of a "digital empire in the making." The article examines how this emergent digital empire is a manifestation of "going out," a term used by the Chinese government to rally the private sector (particularly platform capitalists) to internationalize, and how digital champions such as Alibaba have responded to and embraced an outward-bound strategy. Though the Asia-Pacific represents an important region for Chinese economic security, especially when one considers the established business interests there, extension of Chinese influence to central Asia conjures up a different kind of *weida fuxing* (great rejuvenation), one that evokes a great historical past—namely, the Chinese empire. Accordingly, we speculate on how digital technologies, platforms, and business mergers will facilitate Chinese influence along the digital Silk Roads.

Keywords: platform capitalism, going out, Alibaba, Asia-Pacific, empire, digital Silk Road

The world's biggest online shopping event is getting bigger—and not just in the People's Republic of China, where it originated. Lazada, a Singapore-based online marketplace, held its first ever "Single's Day" (Double 11) shopping festival on November 11, 2018. Participants came from other Southeast Asian states, including Indonesia, Malaysia, the Philippines, Thailand, and Vietnam. Initiated by China's e-commerce titan Alibaba (the Alibaba Group Pty Ltd) in 2009, Double 11 is said to be the Chinese equivalent of Black Friday. Since 2016, Alibaba has held a majority stake in Lazada; it has invested heavily in the regional e-commerce company, improving its technical capacity in automation and digital payments. During the Double 11 festival, multilingual artificial intelligence (AI) robots provided customer service in Chinese,

Michael Keane: M.Keane@curtin.edu.au

Haiqing Yu: haiqing.yu@rmit.edu.au

Date submitted: 2018-11-24

¹ Research for this article was funded through the Australian Research Council Discovery Project (DP170102176), titled Digital China: From Cultural Presence to Innovative Nation. We thank the two anonymous reviews for their helpful comments.

Copyright © 2019 (Michael Keane and Haiqing Yu). Licensed under the Creative Commons Attribution Non-commercial No Derivatives (by-nc-nd). Available at <http://ijoc.org>.

English, Malay, Indonesian, Vietnamese, and Thai, which prompted Chinese media reports of “an invisible transformation” (*kanbujian de biange*) masterminded by Chinese digital expertise (Bai, 2018).

China is transforming a “new world order,” says Kai-Fu Lee, a Taiwan-born, U.S.-educated digital entrepreneur based in Beijing. Lee believes that the control of technology and the power of machine learning will determine global leadership; in his words, China is on track to be an “AI Superpower” (Lee, 2018). In November 2017, Eric Schmidt, the former Executive Director of Alphabet, the parent company of Google, warned, “By 2020, they [the Chinese] will have caught up. By 2025, they will be better than us. By 2030, they will dominate the industries of AI” (cited in Chowdhury, 2018, paras. 1–2). Undoubtedly, in making these statements, Schmidt was aware of the technology war rhetoric emerging from Beijing. Alibaba is among an increasing number of Chinese digital companies that have spearheaded China’s ascent to world leadership in high-tech sectors. The 2018 Double 11 shopping festival in Southeast Asia is symbolic of the expansion of Chinese digital power, a joint effort of the private business sector and state initiatives.

In commentaries from industry insiders, usually pitched at financial investors or policy makers, the Chinese new world order represents either a threat to the Western liberal ideal of an open Internet or the initiator of a “pragmatic” model of Internet sovereignty. In *The Future is Asian*, the Indian-born policy strategist Parag Khanna has weighed into debates about the future global order, suggesting that many Asian states are open to pragmatic governance solutions. He writes,

Today Westerners prefer the phrasing “global rules-based order” while Asians favor the Chinese phrase “community of common destiny.” Tomorrow we will realize that they are two sides of the same coin—and that both the rules and the destiny must be made together. (Khanna, 2019, p. 5099)

The Chinese phrase referred to here is *renlei mingyun gongtongti*, proposed by Xi Jinping as a solution to a fractured world order, first at the World Economic Forum in Davos and then at a special talk a day later at the United Nations Office in Geneva in 2017 (Shi, 2018b). Before these speeches, the slogan “cyber-community of shared destiny” was unveiled by the Chinese government as the theme of the 2016 World Internet Forum in Wuzhen, China, to indicate “properly managed cyberspace”; more precisely, this model allows each nation to choose their own “development path” in contrast to the global rules-based order imposed on nations in the Global South. A Chinese-style model allows states to manage perceived dissent and subversion according to their national interests. At the Wuzhen forum in 2018 the term “digital Silk Roads” was deployed as a theme to draw in participation from nation states in Eurasia, many of which were already allied with China. Putting “shared destiny” and “digital Silk Roads” together constitutes a strategic addition to the much larger development project called the Belt and Road Initiative (hereafter BRI), which was conceived in 2013 during Xi Jinping’s state visit to Kazakhstan. The BRI links China to Europe through Central Asia and Russia and brings together China and Southeast Asia, South Asia, and Indian Ocean trade routes (Ellis, 2015; He, 2018).

Reports in Chinese state media have established a business case for the deployment of Chinese ICTs along the BRI, talking up the prospect of connected cities (Fishwick, 2017). At a forum organized by the Cyberspace Administration of China (CAC) in 2018, an industry leader argued that the BRI needed its

own clearing infrastructure, where retailers overseas could buy Chinese goods with their home currency or exchange directly for renminbi (Dai, 2015). Recent scholarship by Hong Shen (2018) has drawn attention to the evolving concept of the digital Silk Roads, questioning why digital infrastructure and network applications have been granted a central position in the BRI. Elsewhere, Fung, Aminian, Fu, and Tung (2018) have explored the emergence of the digital Silk Roads with respect to connectivity and Chinese-led innovation in the region.

Taking these different contributions into account, the key point we wish to emphasize is the concept of a "digital empire in the making" (see Reinbacher, 2018). China has extended its economic influence into adjacent Asian territories, primarily with a combination of foreign aid, loans, and infrastructure projects. As indicated by the statements above, the next stage is the penetration of Chinese communications technology businesses. China's commercial digital platforms have been active in targeting markets in South and Southeast Asia. Alibaba and Tencent, in particular, have extended their business interests in these territories. Meanwhile the Chinese video sharing app TikTok has broken into Western markets, the former smartphone company Xiaomi has diversified its Asian expansion into artificial intelligence (AI) and the Internet of Things (IoT), and technology heavyweight Huawei has set up a digital innovation hub in Astana, Kazakhstan. This is a rich area of investigation, with multiple players covering diverse geopolitical territories.

While China is rising on the world stage through its soft power and "charm strategies" (Kurlantzick 2007; Nye, 1990; Vlassis, 2016), the *weida fuxing* (great rejuvenation), a term used by Xi Jinping to rally the nation, evokes the legacy of a great empire. In this article, we use the example of e-commerce giant Alibaba and its outbound activities in the Asia-Pacific to illustrate how China's digital platforms are positioned within an emerging digital empire, one that now seeks to embrace much of Eurasia. Drawing on trade journal reports, academic literature, journalism, and policy analysis, we ask the following questions: To what extent is China's emergent digital empire a manifestation of "going out," a term used by the Chinese government to rally its private and business partners to internationalize? How have China's digital champions responded to and embraced the outward-bound strategy? Though the Asia-Pacific represents an important region for Chinese economic security, especially when one considers the established business interests there, extension of influence to Central and South Asia conjures up a different kind of *weida fuxing*. Accordingly, we speculate on how digital technology is facilitating the spread of Chinese influence along the digital Silk Roads. We use the term "speculate" intentionally, because the extent of BRI ambitions are currently clouded with uncertainty and controversy both within and outside China.

The first section of the article provides a condensed background to China's digital technology revolution, noting the political motivations behind information industry policies over the past two decades. The second section engages with scholarly debates on platforms and platform capitalism, and shows how the dominance of Chinese technology companies might contribute to a sense of "empire." This macro perspective lays the background for our case study in the third section of the article, which looks at Alibaba's footprints in Singapore, Hong Kong SAR, and Taiwan. Finally, we reassess the rise of what we call "digital China" through the lens of an empire in the making and consider Chinese ambitions beyond the Asia-Pacific, in this way offering a contribution to understanding China's rising digital power.

The Rise of Digital China

China's extraordinary influence on the global stage is due to its economic power, not its cultural authority. China's political ideology, and its reversion to a more authoritarian style of governance under Xi Jinping, is out of synch with the pluralism of other great nations. Authoritarianism and soft power are not natural bedfellows. The rise of China as a digital power, however, seems to offer a glimmer of hope in renovating its national soft power. The scale and scope of China's technological advance is facilitated by the frictionless mobility of online content and services and intensified by the capitalist ambitions of the leaders of its digital platforms. Such platforms have already claimed the kudos of national champions. The question is not how far do they reach, but rather, how deep is their reach?

Since 2006, when China's State Council launched a plan to strengthen China's science and technology sector, talk of the "convergence of technology and creativity" has animated cultural reformers. With culture formally recognized as an industry (*chanye*), the emphasis moved to digital technologies and platforms (Keane & Chen, 2017). Over the past decade, convergence fever has swept China—from state-owned media organizations and their corporatized arms to a plethora of private media and communications companies. In March 2015, the government launched a broad policy initiative called Internet+ that has a range of cross-sector ambitions. Its objectives are

to integrate mobile Internet, cloud computing, big data, and the Internet of Things with modern manufacturing, to encourage the healthy development of e-commerce, industrial networks, and Internet banking, and to get Internet-based companies to increase their presence in the international market. (Li, 2015, p. 20)

In the context of China's culture "going out," Internet+ might potentially rejuvenate, upgrade, and propel China's cultural reputation outside the mainland. Essentially, the Internet+ blueprint has given China's digital enterprises an ideological prop for their platform ambitions and a leading role in internationalizing China's culture. Chinese-led innovation and investment is claiming new markets, Chinese apps more followers, and Chinese platforms services more users outside the mainland.

In 2016, along with the announcement of the 15th Five-Year Plan, digital creative industries were leveraged to the forefront of state priorities, and culture was duly designated as a potential "pillar industry," a term usually reserved for automobile manufacturing and high-end energy projects. In fact, the priority given to the digital sphere was no great surprise to astute observers of China's technology sector. The burgeoning commercial Internet, driven to new heights by mobile phone usage, has led to a bull run in the venture capital markets. In the past decade, more Chinese Internet companies have listed publicly; in 2016, three Chinese platforms—Baidu, QQ, and Taobao—were among the top 12 globally in terms of traffic (Jia & Winseck, 2018, p. 34). These platforms are owned by Baidu, Alibaba, and Tencent (collectively known as BAT), which have demonstrated a capitalist tendency to consume 75% of successful start-ups in China (Xia & Fuchs, 2016). They are in fact prototypical digital capitalists, albeit with connections to the state. The founders and CEOs of BAT are the new faces of digital China—the digital version of the Chinese dream. As discussed in the next section, they are building a Sinophone digital empire from China to the world.

China's digital platforms have built their empires in the Chinese mainland, leveraging the massive numbers of people online. At the time of writing, the number was 772 million (CNNIC, 2018). Before the advent of the Internet economy, delivery of products and services was constrained by inadequate physical distribution infrastructure, excessive government regulation, and poor quality of service. The development of e-commerce and the digital economy has led to new and advanced manufacturing, logistics, distribution, and delivery, as well as payment/transaction infrastructure and networks. The fast-tracking of services is combined with economic restructuring, as evidenced in the rapid uptake of e-commerce in second and third tier cities and the proliferation of "Internet villages," sometimes called Taobao villages. In addition to the upgrading of China's economy, online media allows instantaneous transmission of Chinese culture, both within the Chinese mainland and to territories outside China, servicing the cultural needs of the Chinese diaspora and reaching out to new converts (Keane, 2016).

China is among many Asian countries (particularly Singapore, Indonesia, India, and Korea) that have experienced exponential growth and broad application of digitized information, knowledge, production, and consumption. Its digital revolution is seen as pivotal to its communications-led economic restructuring (Hong, 2017). Its deployment of digital information networks and communication technologies—such as the Internet, cloud computing, big data, the Internet of Things, and fintech—to transform social interactions, drive productivity, and stimulate innovation is viewed as "trailblazing" (Thornhill, 2017). From hardware (e.g., Lenovo, Huawei, ZTE) to software (AI, robotics, and various digital payment systems), Chinese digital revolution has enabled its native digital giants not only to build a massive ecosystem of platforms in China but also to challenge the Western supremacy in the global digital divide dominated by the U.S.-based digital platforms (such as Amazon and Facebook). The competition is global in scope, with the Asia-Pacific and the Sinophone world as the first battlefield. It is time to examine the role of platforms in the empire building efforts.

From Platforms to Empires

The terminology "platform" has spawned a fertile subfield of enquiry within communications studies (e.g., Gillespie, 2010; Helmond, 2015; Plantin, Lagos, Edwards, & Sandvig, 2018; Srnicek, 2017). The "platform economy" and, more broadly, "platform society" (Dijck, Poell, & de Waal, 2018) reconfigure the way that people connect, share information, consume services, and conduct commerce. In short, an online platform offers a business model that allows interactions between two or more distinct or interdependent users. The most widely used platforms include search engines, online marketplaces, news aggregators, media platforms, video sharing platforms, and social network platforms. Srnicek (2017) depicts platforms as a new kind of firm, an "intermediary" that brings together different users "customers, advertisers, service providers, producers, suppliers, and even physical objects" (p. 605). In their work on the platform society, Dijck et al. (2018) argue that the launch of eBay's application programming interface (API) in 2001 "transformed the Web into a data-driven platform-based ecosystem" (p. 9). They point out the centrality of architecture that is pivotal to the concept of platforms, defining an online platform as "a programmable digital architecture designed to organize interactions between users—not just end users but also corporate entities and public bodies" (p. 4). Though the most well-known Chinese platforms are probably WeChat, owned by Tencent, and Taobao, a subsidiary of Alibaba.com, a number of innovative platforms have captured global attention and have been acquired by corporate stakeholders; for instance, TikTok (video

sharing), Toutiao (news media), Didi Chuxing (ride sharing), Dianping.com (restaurants) and Pinduoduo (group purchasing). However, Chinese digital platforms and platform capitalists are not only data dominant oligopolies (Mayer-Schönberger & Ramge, 2018), they are also empire builders working with and alongside the Chinese state in its “going out” strategy. Recently, the term “Chinese digital empire” has been used (Reinbacher, 2018) to characterize Chinese ambitions of becoming a global digital power.

“Empire” is deeply inscribed in history, particularly in the Indo-Pacific and Eurasia. Many empires have ascended, and most have faded into oblivion or suffered the costs of maintaining a presence in the region: Persian, Roman, Mongol, Mughal, British, Russian, and, arguably, the United States. A digital empire, however, conjures up a far different geopolitical connotation: It is defined by connectivity, lifestyle, values, and ethics, and in relation to China, government control over vast amounts of data. It underpins the global power shift announced by Lee (2018). The likely development over the next decade, Lee contends, is that most nation-states in Asia, even the most technologically developed among them, will be increasingly tied to the fortunes of China as it extends its digital presence.

This is a view shared by Chinese communications scholars such as Anbin Shi, who argues that countries in the region will benefit from China’s expansion. In other words, through integrating China’s national strategy of Internet+ into the BRI context, China can initiate and spearhead a global system of e-commerce with resort to the Asia Infrastructure Investment Bank (AIIB)-backed infrastructure. He says,

Compared to the elitist model of the U.S.-dominated FAANG (Facebook, Amazon, Apple, Netflix and Google) camp, the more affordable, grassroots-friendly model of the BATJ (Baidu, Alibaba, Tencent and JD) camp has galvanized the engagement and involvement among massive number of the incumbent netizens from the developing countries in Asia, Africa and Latin America. (Shi, 2018a, p. 43)

Shi’s optimism furthermore extends to Alibaba’s online finance system called Ant Financial, which now provides a “public service” in the Asia-Pacific for many that do not have or are excluded from having credit cards. It is this ethos of shared digital civilization and lifestyle that contains the potential for a “great rejuvenation.” The case of Alibaba demonstrates the geographical repositioning of China’s digital platforms.

Alibaba Going Out in the Asia-Pacific

In China, the development of platforms is a response to social, economic, and cultural issues, while anticipating and reacting to political imperatives. As noted earlier, one of these political imperatives is taking Chinese culture and ideas to the world. “Going out,” or “going global,” has a somewhat ironic ring to it in the second decade of the 21st century. A nation that shut itself off from the capitalist world for more than three decades is now actively promoting globalization. The going global strategy was announced in 1999 following the Asian Financial Crisis (1997–98), although it really only began to be actioned after 2001 (Wang & Miao, 2016). In the broader industrial domain, it includes establishing manufacturing operations overseas; acquiring technological and name-brand assets through overseas mergers and acquisitions; setting up joint ventures and overseas R & D centers; and obtaining support from overseas Chinese and through overseas listing/global IPO (Wang & Miao, 2016). Culture came on to the agenda following accession to the WTO, and

the fear that the Chinese mediasphere would be inundated by Western “wolves” (Su, 2016). Over a decade later Chinese culture, now digitized and commercialized, is marshalling its resources; Chinese digital platforms have become the new forces of “cultural empowerment” (*wenhua qianguo*), a term that is often used in government discourse as a synonym for soft power.

Private digital platform capitalists are working, with the support of Chinese government, to promote the nation. Indeed, “going out” is a challenging business, both economically and politically, and one can fall foul of government. Jack Ma, the cofounder of Alibaba, not only has the pole position as China’s richest man but also is the poster boy of China’s digital capitalism. In 2019, Ma announced that he would step down from his role as Executive Chairman to concentrate on philanthropy. Ma represents China’s new capitalist elite who are fluent in English and can talk with world’s political, business, and technology leaders as new visionary leaders in the new world order. Unlike the “state capitalists” (who are the bosses of large state-owned enterprises), the new capitalist elites all emerge in the digital era as bosses of digital conglomerates and drivers of the digital economy.

Writings about Jack Ma and the history, development, business model, and impact of Alibaba are abundant and growing in number, mostly from areas in business, management, public relations, and information systems (e.g., Clark, 2018; Lowrey, 2016). It is beyond the scope of this article to review this rich literature. Instead, we focus on the company’s outbound activities in the Asia-Pacific. Alibaba is a conglomerate and network of platforms that range from e-commerce (spanning continents), fintech business with a powerful credit system called Alipay, cloud computing and big data services, and an entertainment complex headed by Youku Tudou with part shares in Sina.com. It operates its Sesame Credit project as part of Chinese government’s pilot social credit system, which is a futuristic infrastructure of social control and digital surveillance, to be implemented in 2020 (Wong & Dobson, 2019). Alibaba has adopted a series of visionary strategies in the Asia-Pacific region. In Hong Kong, the technology giant (through its financial affiliate, Ant Financial) goes head-to-head with WeChat Pay and other competitors in the digital payment market. In India and Southeast Asia, it has invested billions of dollars to acquire and form partnerships with local tech companies and start-ups in e-commerce and digital payment. In Taiwan, it adopts a different strategy that is illustrative of its flexibility in overseas expansion.

Alibaba’s inroad into media content creation is evident in its purchase of the *South Morning China Post* in 2016. Its alignment with Xi’s vision, and its stated ambition to expand China’s voice on the global platform, is symbolized by its removal of the newspaper’s paywall, the closure of its Chinese site, and the establishment of a U.S. bureau in the same year that the newspaper was acquired. In 2000, Alibaba set up offices in Hong Kong and Korea and recruited key management and IT personnel with transnational experiences. It now has R & D centers in China, U.S., Russia, Israel, and Singapore. The company’s globalizing initiatives preceded the government’s call on media and cultural enterprises to “go out” in the mid-2000s. When Alibaba opened its first nonmainland office in Hong Kong in 2000, Ma made the call for “striking out” (*da chuqu*), a martial art version of the official “going out” (*zou chuqu*) mandate. Since then, Ma has referenced the martial arts genre and voiced his love of Chinese culture. In 2017, he even cast himself in the short movie *Gong Shou Dao*, singing the title track *feng qing yang* with the pop artist Faye Wong. The aim, according to Ma, was to share Chinese culture and promote Tai Chi, a martial art form dear to his heart (Leong, 2018).

Even before its IPO (in 2014), the Alibaba Group had a controlling stake in ChinaVision (now Alibaba Pictures) and significant shares in microblogging website Sina Weibo, video streaming site Youku Tudou, and the Wasu Media Group. In fact, the company's business vision is more akin to Amazon than to e-Bay. Its other major assets in the cultural and creative industries include the Web browser UCWeb, music, online literature, and eSports. It is evident that while the logistical infrastructure of Alibaba is based on e-commerce, the "long game" is a cultural one.

Alibaba's B2B platform Tmall and B2C platform Taobao are among the top global e-commerce platforms, with JD.com, Weidian, and Amazon. The annual Single's Day (Double 11) festival referred to in the introduction has precipitated an online shopping spree in Hong Kong, just as it does in mainland China and Taiwan. According to KPMG (2017), 45% of Hong Kong online consumers buy from Taobao—that is, products or services based in mainland China. Alibaba has made further inroads into Hong Kong since it was listed in the New York Stock Exchange in 2014. Alipay, the financial services arm of Alibaba, has been working hard to get Hong Kongers used to its digital wallet and payment system. On May 25, 2017, Alipay launched a Hong Kong dollar e-wallet app. Within two weeks, the number of users who downloaded the app jumped from zero to six figures ("Zhifubao xianggang luodi ji," 2017). Hong Kong consumers can use this app to deposit Hong Kong dollars and link to their credit cards, similar to mainlanders. On October 31, 2017, Alipay announced a partnership with local mobile payment system developers TedPay and Valoot to enable Hong Kong taxis to accept payments via Alipay and AlipayHK.

Alipay is not only competing with Apple Pay and local operators like Octopus but is also in a turf war with WeChat Pay in Hong Kong, Southeast Asia, Europe, and North America. It is reported that in 2016, more than 58% of Hong Kongers had a WeChat account, and WeChat Pay Hong Kong covers major shopping malls, chain brands, and convenience shops (Zen, 2016). More than 8,000 local merchants accept Alipay from mainland Chinese users, and Alipay Hong Kong is acquiring more partnership with local merchants ("Zhifubao xianggang luodi ji," 2017). Now Alipay and WeChat Pay are seen everywhere from online shopping to convenience stores. Local digital payment operators have not been able to compete with the two digital giants from China, and are forced to innovate in face of shrinking market share (Tsang, 2018).

Though Hong Kong's history as Asia's financial center has prompted Alibaba to expand its digital payment services there in an intensified battle with WeChat Pay, PayPal, Apple Pay, Octopus, and other local players, Singapore represents a different kind of strategic standing vis-à-vis expansion in the Asia-Pacific. It is a stepping stone into Southeast Asia. Alibaba established its office there in 2007 and has used it as a pathway to break into other Asian markets, such as Taiwan. While people of Chinese ethnicity dominate in Singapore, they have not warmed to cultural content from China. A 2015 study of OTT (over-the-top) Video Consumer Study conducted by the Media Development Authority provides some evidence (MDA, 2015). Putting aside content produced in other languages, such as English and Cantonese, the survey found dramas and entertainment/variety content to be the two most popular Mandarin-language genres viewed in Singapore; the top countries of origin for drama were South Korea, Hong Kong, and the U.S., whereas the top countries of origin for entertainment/variety genre were Taiwan, South Korea, and the U.S.

E-commerce, on the other hand, is a domain where we can see evidence of China's inroads. A number of Singaporean and/or Southeast Asian-based platforms have established a reputation as price

conscious and reliable. A paper released by the Competition Commission of Singapore (Lim, Pang, Hang, & Taylor, 2015, p. 6) revealed that starting with the entry of Reebonz into the city-state in 2009, an average of three e-commerce platforms were launched in Singapore every year up until 2014. Alibaba's Taobao entered the Singaporean market in 2013. It now owns a controlling stake in two of the most popular e-commerce platforms in Southeast Asia: Lazada and Tokopedia. In 2018, it established a joint Research Institute with Nanyang Technological University to focus on the use of artificial intelligence in service delivery and city planning.

Alibaba's push into Singapore and Southeast Asia is supported by its infrastructural and logistics operations, which according to some accounts, is providing it with a competitive edge. Alibaba has invested much money and effort on such physical infrastructure in its Asia-Pacific expansion, often operating through and with local companies. The intention is to build "the entire operating infrastructure for regional businesses to expand globally, which includes cloud computing, online payments and logistics" (Chandran, 2017, para. 4), Alibaba's Taiwan office was set up in 2008, registered under Alibaba Singapore to avoid the political hurdle imposed on Chinese direct investment by the Taiwanese authorities. Alibaba's Taiwan expansion has not been smooth compared with Hong Kong SAR. In 2015, the allegation by the Taiwanese authorities against the company for hiding its Chinese/mainland identity made headlines, in the aftermaths of Alibaba's high-profile IPO at the New York Stock Exchange in 2014. Alibaba has hence adopted a low-profile strategy in Taiwan. Now it has four offices in Taiwan (Taipei, Taichung, Tainan, and Kaohsiung) and runs the Alibaba Entrepreneurs Fund to help young people from Taiwan and Hong Kong kick-start their digital start-ups.

Despite mainstream media rhetoric launched at Alibaba's "invasion" of the Taiwanese market, ordinary people in Taiwan have gradually shifted their loyalty to Alibaba's e-commerce platforms, particularly those who are cost-conscious. Trust, social presence, stickiness, and word-of-mouth are the factors that influence people's online practices (Chen, Wu, & Chung, 2008), and though Taiwanese are still shopping on local or localized B2C/B2B platforms such as PChome, Ruten.com, Yahoo! Taiwan, Momoshop, and Rakuten, there has been a steady increase of Taiwanese buyers on Taobao.com. A total of 17% of Taiwan's online shoppers actively shop cross-border, the majority of whom (72.7%) buy from China via Alibaba's e-commerce platforms using their payment and delivery services and partners (export. gov, 2018). Working with local banks (e.g., Yushan Bank) and local convenience store system, Alibaba has enabled buyers from Taiwan to make quick and easy payments despite their lack of access to Alipay. It has also worked with established delivery services (Shunfeng, Yuantong) and third-party proxy group logistics and delivery services to ensure affordable and fast delivery across the Taiwan Strait. Third-party proxy group logistics and delivery services are Chinese local companies that receive Taiwanese people's online orders on their customers' behalf, store them, and dispatch them in bulk cargo to Taiwan. This significantly reduces the cost of delivery for individual buyers. It is no wonder that many people in the People's Republic of China claim that e-commerce heavyweight Alibaba is the champion to close the gap across the Taiwan Strait.

China's digital platforms have moved like a jet speedboat (*vis-à-vis* the "slow boat" of state-sponsored soft power initiatives; see Sun, 2015) to expand Chinese influence globally. As we have discussed, the example of Alibaba in the Asia-Pacific illustrates how the private and digital diplomacy has worked to spread China's influence. Chinese platform capitalists spread Chinese footprints and raise China's prestige on the world stage despite the various "China threat" discourses. They are stitching up a vast network of

services in digital payment, e-commerce, logistics, and R & D in the Asia-Pacific while integrating their online video and streaming services into the region. Familiarity with Chinese services and providers provides the foundations for the Sinophone digital empire.

Discussion

The business expansion strategies of Chinese digital champions in the Asia-Pacific region have largely dovetailed with the Chinese government's call for national technological ascendancy. This raises a number of questions related to Chinese influence in the region that cannot be answered in a short article, particularly in light of the evolving political complexities of the BRI (He, 2018). The following discussion, moreover, aims to support calls for a cross-disciplinary understanding of digital empire. In political science the term "Chinese empire" has made a resurgence. It has been used by Kemenade (1998) referring to Hong Kong's return to China and by Terrill (2004) describing China's handling of SARS as an empire of theater and presumption. It is also used to describe Chinese economic expansion, for instance, in Africa (Brautigam, 2015). Historical scholarship, on the other hand, has largely concerned past empires of the Silk Roads (e.g., Frankopan, 2016; Hansen, 2012).

In a special journal issue on media infrastructures and empire, Aouragh and Chakravartty (2016, p. 561) note a dearth of studies in the field of media and communications on the topic of empire. They conclude that most accounts to date have focused on Western empires—for instance, critiques of cultural imperialism as seen in the global domination of U.S. film and television as well as the influence of U.S.-led techno-libertarianism and the recent rise of Western hegemons such as Google and Facebook. Aouragh and Chakravartty note a lack of attention to how the technological advances of the West have allowed the Third World to move forward (see Khanna, 2019). This argument, however, is detailed by the economist Richard Baldwin (2016) in his book *The Great Convergence*. In the 19th and 20th centuries, the "West" achieved global territorial and economic dominance. Western power was reflected in modern communications infrastructure (the postal telegraph, satellite TV, and the Internet), technological innovation (the Internet), and later through the legitimacy of its institutions (intellectual property). By the end of the 20th century, Silicon Valley had emerged as the powerhouse of the U.S. economy and a symbol of innovation that could be emulated by aspiring nations. As Baldwin notes, the technological advantage of the West began to diminish as more production was outsourced to developing nations such as China. The role of digital communication technology therefore assumes fresh significance in the future of the Global South, echoing the themes of the mid-20th-century's New Information and Communication World Order (NWICO), which sought to rebalance the global flow of communication (Shi, 2018a).

Aouragh and Chakravartty contend that a more fruitful mode of engagement is to understand how "infrastructures of empire" have transformed into new regional alliances. In this light, the World Internet Conference, now convened annually in Wuzhen, China, challenges the centrality of the Western digital empire. In the new world order espoused by China's digital champions and supported by central and local government, technological infrastructure ensures content, products, and services reach consumers (Easterling, 2014). The infrastructure includes cloud farms, artificial intelligence, blockchain technologies, cables, and the Internet of Things, which allow the supply chain to be completed, as well as transport facilities including roads, seaports, and airports, not to mention the "human" delivery people.

In addition, the expansion of digital connectivity through the Chinese language platform economy has facilitated a massive Sinophone community centered around Chinese-owned or influenced technological infrastructure. This new world order, like that of centuries past, is predicated on economics. In an article entitled "Power Play," Klinman and Grace (2018) point out the central role of the telecommunications infrastructure in the "new digital Silk Road." Already, Southeast Asia has become the major arena for e-commerce contestation between China and the United States. With the Chinese government aiming to connect the Chinese mainland with Asian and European countries through the BRI, digital players such as Alibaba have identified a "Silk Road strategy." Jack Ma said at the St. Petersburg International Economic forum in Russia in 2016 that the most important regions for Alibaba were in the BRI (Shukla, 2016). India and Southeast Asia are strategic locations, and e-commerce has become the key battlefield there between Alibaba (China) and Amazon (U.S.) (Peterson, 2017). Such a build-up in the digital Silk Road has created the conditions for an Internet era power shift in the region according to participants at the fourth World Internet Conference held in Wuzhen, China in December 2017 (Viney, Pan, & Fang, 2017).

Alibaba, among a plethora of Chinese companies, is not only connecting local digital companies and platforms in Asia with a China-centered digital infrastructure but is also exporting a Chinese version of the new world order. But Alibaba is not alone in shifting the power play in favor of Chinese digital platforms. Tencent, Alibaba's strongest competitor, has been busy taking stakes in digital payment and ride-hailing platforms in the Asia-Pacific. Its all-in-one mega-social media platform, WeChat, reached 1 billion accounts worldwide in 2018. Most of the growth came from Southeast Asia, Europe, and the U.S. (Ong, 2018). JD.com (with Tencent as its biggest stake owner) has also been busy in the Asia-Pacific region: setting up offices in Melbourne, Australia (2017), and Southeast Asia (Indonesia, 2016); taking a stake in Vietnamese e-commerce giant Tiki.vn; and forming a joint venture with Thai retailer, Central Group. Bytedance has taken Asia by storm with its video sharing app TikTok/douyin (as known in China).

These are just a few examples of how China's digital platforms are shaping what we call a Chinese digital empire. As Shen (2018) notes, the digital Silk Road relies on a China-centered digital infrastructure—including e-roads, e-hubs, R & D centers, and logistic centers. Hence, we have seen the massive deployment of resources, from land (the overland Silk Road) to the sea (the Maritime Silk Road), from underground and undersea cables to the Space Information Corridor (via its BeiDou satellite network), from high-speed railway lines to telecommunications and e-commerce infrastructure along the BRI routes. The so-called digital Silk Road or information Silk Road recruits state and nonstate actors to actively participate by building networks of telecommunication and Internet technology infrastructure across Asia and Central Asia. Companies like Huawei and ZTE are leading the way.

However, it is not just about "large amounts of data that ultimately will enable Chinese companies to more effectively target consumers across the Indian Ocean rim and Eurasia" (Klinman & Grace, 2018, p. 11). We believe it is important to take account of cultural values that are disseminated by modern communications: Here, we note the role of Chinese digital companies in spreading the Chinese slogan of "shared prosperity." In March 2018, for instance, Alibaba sponsored an 11-day training program in Hangzhou for 37 young entrepreneurs from seven BRI countries (Malaysia, Thailand, Indonesia, Pakistan, Cambodia, the Philippines, and Vietnam) on e-commerce, technological and business innovations (Bai, 2018). These young tech entrepreneurs may well be ambassadors of the Chinese digital empire, spreading

the gospel of the “four new inventions”—high-speed rail, mobile payments, online shopping, and shared bikes—in their home countries. Similar efforts were taken by another Chinese tech giant, Huawei, in November 2017, when it sponsored the First Central Asian Innovation Day in Astana, Kazakhstan, announcing the theme “Explore the New Digital Silk Road.” The president of Huawei Global Communications announced that this event would come to constitute a “Roman Forum,” a means “to exchange ideas, stimulate innovation and discuss opportunities” (Tan, n.d.). Use of the image of the Roman Forum here, rather than a Greek Agora, might be construed as a ploy to remind the participants of the early infrastructure builders of antiquity while avoiding associations with Western democracy.

By getting more and more people to use platforms or services that are owned, controlled, serviced, or invested by Chinese companies, these companies have become part of the Chinese digital empire-building project. This has two aspects: first, the propagation of values embedded in Chinese entertainment content—already, China’s media propaganda extols the avid consumption of Chinese television dramas and films in countries where China is advancing its infrastructure and “foreign aid”—and second, the widespread adoption of Chinese digital products and services, which is enhanced by familiarity with digital Chinese brands. As Sanchita Basu Das (2017), from the Yusof Ishak Institute, points out, Chinese overseas investment in digital infrastructure (network services, telecommunication cables and devices) and the rise of Chinese e-commerce giants like Alibaba and JD.com in many of the BRI countries has strategic implications for global digital information and data security and governance. Hence, the expansion of Chinese digital connectivity and business empires in the Asia-Pacific and along the BRI is driven by capitalist imperatives for new markets and profits, as well as a civilization mission that dovetails with the state’s ambitions to promote a Chinese version of new world order of “shared destiny.” Such a mission is fraught with conflicts between aspirations for economic power and the cultural/civilizational power of values.

Conclusion

This article has shown how one of China’s leading online platforms is emblematic of the nation’s expanding digital power in the Asia-Pacific. The e-commerce giant Alibaba.com has transformed into a comprehensive network of infrastructure and systems, cognizant of the great power shift ensuing between the U.S. and China, while leveraging much of its talent from the former. It has expanded into all aspects of the Web and everyday life in China and aims at achieving a similar ubiquitous presence in both Asia and Eurasia. The digital infrastructure of China, built into BRI plans (Shen, 2018), thus extends the empire; the empire is, in turn, connected to multiple nodes and regional centers.

In the future, as the BRI infrastructure matures, one would expect to see more Chinese apps, goods, and services making their outbound journeys and more Chinese cultural content, artifacts, fashion products, lifestyles, and technologies becoming more prevalent and acceptable in foreign markets. The rapid development of Chinese apps, devices, and services in the Asia-Pacific and BRI region has engendered a belief in the power of digital China, a sense of pride in Chinese-style digital innovation, and a vibrant ethos of shared destiny and humanity. Such a belief, pride, and ethos are not without frictions and contestations, in different national, cultural/religious, and regional contexts. This article has called for attention to the (often) invisible infrastructure on which the digital Silk Road is built. Such infrastructure is not only constitutive of network of services in digital payment, e-logistics, blockchain, and data management that

support the core business of Alibaba (e-commerce); it is also constructed to meet future challenges of human capital and knowledge through R & D outlay and investment.

As noted in this article, Alibaba and its subsidiary business operations encapsulate the “infrastructurization of platforms,” a term to refer to the convergence of platforms and infrastructures that enables corporate giants to “explore the power of platforms . . . to gain footholds at the modern-day equivalents of the railroad, telephone, and electric utility monopolies of the late 19th and the 20th centuries” (Plantin et al., 2018, pp. 306–307). Alibaba’s strategic presence and expansion in Hong Kong, Singapore, and Taiwan (and many other places where Chinese migrate, visit, or stay) is a tale of the digital empire in the making. Different locations in the Asia-Pacific are home to the Chinese diaspora, and it is this demographic that is the primary target of Chinese digital platforms. However, we need to be clear that being of Chinese cultural origin does not necessarily entail a predisposition to consume Chinese cultural content or buy goods on Chinese platforms. Ultimately, the content and quality prevail. Although Chinese platforms may not be so well recognized in the face of powerful “Western services” (Facebook, WhatsApp, YouTube, etc.), the business models of Chinese companies are certainly inflicting creative destruction and forcing Western and other international players to take notice. In this regard, more empirical research is needed to understand how digital China’s empire aspirations fare in and beyond the region.

References

- Aouragh, M., & Chakravartty, P. (2016). Infrastructures of empire: Toward a critical geopolitics of media and information studies. *Media Culture & Society*, 38(4), 550–575.
doi:10.1177/0163443716643007
- Bai, Y. (2018, November 14). Tianmao shuang shiyi tuidong dongnanya shehui keji biange [Tmall Double 11 promote social-technological evolution in Southeast Asia]. *Global Times*. Retrieved from <http://world.huanqiu.com/exclusive/2018-11/13540069.html>
- Baldwin, R. (2016). *The great convergence: Information technology and the new globalization*. Cambridge, MA: Belknap Press.
- Brautigam, D. (2015). *Will Africa feed China?* New York, NY: Oxford University Press.
- Chandran, N. (2017, February 5). Alibaba ventures Down Under to help local business go global. *CNBC*. Retrieved from <https://www.cnbc.com/2017/02/05/alibaba-opens-australia-office.html>
- Chen, Y.-H., Wu, J.-J., & Chung Y.-S. (2008). Cultural impact on trust: A comparison of virtual communities in China, Hong Kong, and Taiwan. *Journal of Global Information Technology Management*, 11(1) 28–48. doi:10.1080/1097198X.2008.10856460

- Chowdhury, H. (2018, September 23). China's tech giants have conquered the East, now for the West. *The Telegraph*. Retrieved from <https://www.telegraph.co.uk/technology/2018/09/23/chinas-tech-giants-have-conquered-east-now-west/>
- Clark, D. (2018). *Alibaba: The house that Jack Ma built*. New York, NY: HarperCollins.
- CNNIC. (2018, August 20). *The 42nd statistical report on Chinese Internet development*. Retrieved from http://www.cnnic.cn/hlwfyj/hlwzbg/hlwtjbg/201808/t20180820_70488.htm
- Dai, T. (2015, July 29). Big data conglomerates dream big on Silk Road. *China Daily*. Retrieved from http://www.chinadaily.com.cn/business/2015-07/29/content_21432401.htm
- Das, S. B. (2017, August 4). OBOR's digital connectivity offers both benefits and risks, perspective. *Yusof Ishak Institute*, 2017(60). Retrieved from https://www.iseas.edu.sg/images/pdf/ISEAS_Perspective_2017_60.pdf
- Dijck, J. van, Poell, T., & de Waal, M. (2018). *The platform society: Public values in a connective world*. New York, NY: Oxford University Press.
- Easterling, K. (2014). *Extrastatecraft: The power of infrastructural space*. London, UK: Verso.
- Ellis, C. D. (2015). *China's new economic Silk Road: The great Eurasian game and the string of pearls*. Kowloon, Hong Kong: Asia Briefing Ltd.
- export.gov. (2018, October 10). Taiwan country commercial guide. Taiwan e-commerce. *Export.gov*. Retrieved from <https://www.export.gov/article?id=Taiwan-ecommerce>
- Fishwick, O. (2017, December 4). China in the fast lane on Digital Silk Road. *China Daily Online*. Retrieved from http://www.chinadaily.com.cn/business/4thwic/2017-12/04/content_35201648.htm
- Frankopan, P. (2016). *The Silk Roads: A new history of the world*. London, UK: Bloomsbury.
- Fung, K. C., Aminian, N., Fu, X., & Tung, C. (2018). Digital Silk Road, Silicon Valley and connectivity. *Journal of Chinese Economics and Business Studies* 16(3), 313–336.
- Gillespie, T. (2010). The politics of "platforms." *New Media & Society*, 12(3), 347–364.
- Hansen, V. (2012). *The Silk Road: A new history*. New York, NY: Oxford University Press.
- He, B. (2018). The domestic politics of the Belt and Road Initiative and its implications. *Journal of Contemporary China*, 28(116), 180–195. doi:10.1080/10670564.2018.1511391

- Helmond, A. (2015). The platformization of the Web: Making Web data platform ready. *Social Media + Society*. Advance online publication. doi:10.1177/2056305115603080
- Hong, Y. (2017). *Networking China: The digital transformation of the Chinese economy*. Champaign, IL: University of Illinois Press.
- Jia, L., & Winseck, D. (2018). The political economy of Chinese Internet companies: Financialization, concentration, and capitalization. *The International Communication Gazette*, 80(1), 30–59. doi:10.1177/1748048517742783
- Keane, M. (2016). Disconnecting, connecting, reconnecting: How Chinese television got out of the box. *International Journal of Communication*, 10, 5426–5443. Retrieved from <https://ijoc.org/index.php/ijoc/article/view/5726>
- Keane, M., & Chen, Y. (2017). Entrepreneurial solutionism, characteristic cultural industries and the Chinese dream. *International Journal of Cultural Policy*. doi:10.1080/10286632.2017.1374382
- Kemenade, V. W. (1998). *China, Hong Kong, Taiwan, Inc.: The dynamics of a new empire*. New York, NY: Knopf.
- Khanna, P. (2019). *The future is Asian: Global order in the twenty-first century*. New York, NY: Simon & Schuster.
- Klinman, D., & Grace, A. (2018, September 20). Power play: Addressing China's Belt and Road strategy. *Center for a New American Security*. Retrieved from <https://www.cnas.org/publications/reports/power-play>
- KPMG. (2017). *Outlook for e-commerce in Hong Kong*. Retrieved from <https://assets.kpmg.com/content/dam/kpmg/cn/pdf/en/2017/11/outlook-for-e-commerce-in-hong-kong.pdf>
- Kurlantzick, J. (2007). *Charm offensive: How China's soft power is transforming the world*. New Haven, CT: Yale University Press.
- Lee, K.-F. (2018). *AI superpowers: China, Silicon Valley and the new world order*. New York, NY: Houghton Mifflin Harcourt.
- Leong, S. (2018). Prophets of mass innovation: The gospel according to BAT. *Media Industry Journal*, 5(1). doi:10.3998/mij.15031809.0005.105
- Li, K. (2015, March 5). Report on the work of the government. *China Daily*. Retrieved from http://www.chinadaily.com.cn/china/2015twosession/2015-03/05/content_19729663.htm

- Lim, W. L., Pang, J., Hang, P. L., & Taylor, N. (2015). E-commerce in Singapore—How it affects the nature of competition and what it means for competition policy. *Singapore: Competition Commission of Singapore*. Retrieved from https://www.google.com/url?client=internal-uds-cse&cx=011954183208015218487:n3onl-ohi6k&q=https://www.cccs.gov.sg/-/media/custom/ccs/files/media-and-publications/publications/occasional-paper/e-commerce-in-singapore/e-commerce-in-singapore---how-it-affects-the-nature-of-competition.pdf&sa=U&ved=2ahUKEwj3kdGa_5DjAhUk63MBHXfsA_8QFjABegQIARAC&usg=AOvVaw0lkFhQBzjs_PoqWdJv1hY
- Lowrey, L. Y. (2016). *The Alibaba way: Unleashing grass-roots entrepreneurship to build the world's most innovative Internet company*. New York, NY: McGraw-Hill.
- Mayer-Schönberger, V., & Ramge, T. (2018). *Reinventing capitalism in the age of big data*. New York, NY: Basic Books.
- MDA, (2015). OTT video consumer study guide 2015. *Media Development Authority Singapore*. Retrieved from <https://www.imda.gov.sg/-/media/imda/files/industry-development/fact-and-figures/ott-video-consumer-study-2015.pdf?la=en>
- Nye, J. S., Jr. (1990). *Bound to lead: The changing nature of American power*. New York, NY: Basic Books.
- Ong, T. (2018, March 5). Chinese social media giant WeChat reaches 1 billion. *The Verge*. Retrieved from <https://www.theverge.com/2018/3/5/17080546/wechat-chinese-social-media-billion-users-china>
- Peterson, J. A. (2017, October 22). A showdown brews between Amazon and Alibaba, far from home. *The New York Times*. Retrieved from <https://www.nytimes.com/2017/10/22/business/alibaba-amazon-southeast-asia-lazada.html>
- Plantin, J.-C., Lagos, C., Edwards, P. N., & Sandvig, C. (2018). Infrastructure studies meet platform studies in the age of Google and Facebook. *New Media & Society*, 20(1), 293–310.
- Reinbacher, T. (2018). *China's digital empire*. Retrieved from <http://dr-reinbacher.com/china-digital-empire/>
- Shen, H. (2018). Building a digital Silk Road? Situating the Internet in China's Belt and Road Initiative. *International Journal of Communication*, 12, 2683–2701. Retrieved from <https://ijoc.org/index.php/ijoc/article/view/8405>
- Shi, A. (2018a). China's role in remapping global communication. In D. K. Thussu, H. de Burgh, & A. Shi (Eds.), *China's media go global* (pp. 34–51). London, UK: Routledge.
- Shi, A. (2018b). Constructing a mediated community of shared future. *The Annals of the International Communication Association*, 2018, 120–138.

- Shukla, V. (2016, June 17). Alibaba follows Beijing's "One Belt and One Road." *ValueWalk*. Retrieved from <https://www.valuwalk.com/2016/06/alibaba-follows-one-road-one-belt/>
- Srnicek, N. (2017). *Platform capitalism* [Kindle version]. Cambridge, UK: Polity.
- Su, W. (2016). *China's encounter with global Hollywood*. Lexington, KY: University Press of Kentucky.
- Sun, W. (2015). Slow boat from China: Public discourses behind the "going global" media policy. *International Journal of Cultural Policy*, 21(4), 400–418. doi:10.1080/10286632.2015.1043129
- Tan, J. (n.d.). *Explore the way to digital Silk Road*. Retrieved from <https://www.huawei.com/au/press-events/events/huawei-central-asia-innovation-day-2017>
- Terrill, R. (2004). *The new Chinese empire: And what it means for the United States*. Sydney: UNSW Press.
- Thornhill, J. (2017). China's digital economy is a global trailblazer. *Financial Times*. Retrieved from <https://www.ft.com/content/86cbda82-0d55-11e7-b030-768954394623>
- Tsang, D. (2018, March 5). Octopus to try again to get Hong Kong's 40,000 taxi drivers on board following moves by Alipay and WeChat Pay. *South China Morning Post*. Retrieved from <https://www.scmp.com/news/hong-kong/economy/article/2135809/octopus-try-again-get-hong-kongs-40000-taxi-drivers-board>
- Viney, S., Pan, N., & Fang, J. (2017, December 5). One Belt, One Road: China heralds "digital Silk Road"; Foresees Internet-era power shift soon. *ABC News*. Retrieved from <http://www.abc.net.au/news/2017-12-05/china-presents-foundations-of-digital-silk-road-at-internet-meet/9223710>
- Vlassis, A. (2016). Soft power, global governance of cultural industries and rising powers: The case of China. *International Journal of Cultural Policy*, 22(4), 481–496. doi:10.1080/10286632.2014.1002487
- Wang, H., & Miao, L. (2016). *China goes global: How China's overseas investment is transforming its business enterprises*. Basingstoke, UK: Palgrave Macmillan.
- Wong, K., & Dobson, A. (2019). We're just data: Exploring China's social credit system in relation to digital platform ratings systems in Western democracies. *Global Media & China*, 4(2), 220–232. doi:10.1177/2059436419856090
- Xia, B., & Fuchs, C. (2016). The financialization of digital capitalism in China. *Westminster Institute for Advanced Studies*, 4, 1–32.

Zen, S. (2016, July 14). 58pc of Hongkongers have WeChat account. *South China Morning Post*. Retrieved from <http://www.scmp.com/tech/china-tech/article/1989871/58pc-hongkongers-have-wechat-account>

Zhifubao xianggang luodi ji: Na xie ni buzhidai zhenglun he gushi [Alipay in Hong Kong: The arguments and stories you don't know]. (2017, June 30). *SINA*. Retrieved from <http://tech.sina.com.cn/roll/2017-07-01/doc-ifyhrttz1846554.shtml>