

Research on the Rule of Law in Guangxi's Digital Economy Industrial Strategy

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Abstract: Guangxi's digital economy industrial strategy faces significant challenges including fragmented overall framework structures, inconsistent regulatory standards across different jurisdictions, and inadequate rule of law implementation mechanisms. The main problems manifest as insufficient overall rule of law guidance in strategy formulation and implementation processes, disordered regional coordinated governance systems lacking unified standards and coordination mechanisms, and absent cross-border regulatory frameworks that fail to address the complexities of international digital commerce. These fundamental issues stem from deeply rooted traditional governance inertia characteristic of frontier ethnic regions, persistent regional development imbalances that constrain coordinated rule of law implementation across different administrative levels, and unique cross-border opening characteristics that significantly increase the complexity and difficulty of effective strategy implementation. This comprehensive research proposes a systematic framework approach from three critical dimensions: rule of law guarantee mechanisms that establish fundamental institutional foundations, rule of law guidance systems that provide coordinated strategy frameworks, and rule of law regulation instruments that ensure precise implementation and monitoring. The study aims to achieve these strategic objectives through systematically breaking entrenched traditional governance patterns, actively promoting coordinated regional development initiatives, and effectively addressing the multifaceted challenges posed by cross-border opening requirements in the ASEAN economic integration context.

Keywords: Guangxi Digital Economy Development; Industrial Strategy Framework; Rule of Law Implementation; Regional Coordination; Cross-Border Governance

1. Introduction

As a strategically important hub within the China-ASEAN Economic Circle, Guangxi Zhuang Autonomous Region has actively embraced the transformative opportunities presented by digital economy development through implementing comprehensive strategy frameworks and strategic initiatives. These include major strategy documents such as "Gui Zheng Fa [2024] No.5" concerning digital infrastructure development, the "Guangxi Implementation of New Round Industrial Revitalization Three-Year Action Plan" focusing on manufacturing digitalization, and various specialized regulations addressing specific sectors of the digital economy. These coordinated efforts aim to systematically accelerate the construction of an ASEAN-facing digital economy innovation and development demonstration zone that can serve as a regional model for digital transformation and cross-border economic cooperation. [1]

By the end of 2023, statistical data indicates that the region's digital economy core industries had successfully attracted and developed over 1,000 enterprises above designated size, creating substantial economic impact through direct employment for approximately 200,000 people and generating significant multiplier effects throughout the broader regional economy. These achievements demonstrate considerable progress in digital infrastructure development, platform economy growth, and cross-border e-commerce expansion, particularly in key areas such as the Beibu Gulf Economic Zone and various China-ASEAN cooperation platforms.

However, despite these notable achievements, three fundamental and interconnected problems persist within the current strategy framework structure that significantly limit the effectiveness and sustainability of digital economy development initiatives. First, the overall strategy framework remains substantially fragmented and lacks systematic integration, with insufficient

coordination mechanisms linking different sectors, administrative levels, and strategy domains. The "Guangxi Digital Economy Development Plan (2018-2025)" proposes ambitious spatial layouts and development targets, but individual projects and initiatives frequently lack logical correlation and unified coordination mechanisms that would ensure coherent implementation across different stakeholders and timeframes.

Second, regional coordination policies demonstrate significant weaknesses in design and implementation, characterized by poor connections between different strategy instruments, inadequate cooperation mechanisms among various regional entities, and insufficient integration of resources and capabilities across administrative boundaries. This fragmentation particularly affects the coordination between major economic zones, cross-border cooperation areas, and different municipal and county-level jurisdictions within the autonomous region.

Third, cross-border cooperation policies remain largely virtualized and lack substantive implementation frameworks, with imperfect standard systems for international collaboration, inconsistent procedures for cross-border business operations, and inadequate mechanisms for addressing the complex legal and regulatory challenges that arise from operating across different national jurisdictions with varying legal systems, regulatory standards, and enforcement mechanisms.

2. Fundamental Rule of Law Issues in Digital Economy Strategy Implementation and Governance

2.1 Insufficient Overall Rule of Law Guidance and Institutional Framework Development

The current digital economy strategy system fundamentally lacks comprehensive rule of law institutional design and systematic legal frameworks that can provide stable, predictable, and enforceable guidelines for both government agencies and private sector participants. [2] The absence of specialized digital economy promotion regulations at the autonomous region level means that strategic development directions cannot be clearly established through formal legal instruments with appropriate enforcement mechanisms and accountability structures.

Existing strategy approaches primarily rely on traditional administrative means such as fiscal

subsidies, regulatory directives, and discretionary government interventions, while lacking comprehensive systematic design for critical foundational issues including data rights protection mechanisms, fair market rule construction, transparent competition frameworks, and effective dispute resolution systems. This approach creates uncertainty for businesses, inconsistent implementation across different agencies, and insufficient protection for legitimate stakeholder interests. [3]

Furthermore, the strategy formulation process notably lacks proper rule of law demonstration procedures, legal impact assessments, and stakeholder consultation mechanisms. Strategy decisions often depend primarily on departmental administrative experience and short-term political considerations rather than systematic legal analysis, long-term strategic planning, and evidence-based evaluation of potential impacts and unintended consequences.

2.2 Disordered Regional Coordinated Rule of Law Implementation and Standards

The fundamental absence of comprehensive rule of law institutional design for regional coordination creates significant barriers to establishing unified legal standards and consistent implementation procedures across key development regions such as the Beibu Gulf Economic Zone, China-ASEAN Information Port, and various border economic cooperation zones. [4] This fragmentation particularly affects critical areas including data circulation policies, platform governance standards, cross-regional investment procedures, and collaborative infrastructure development projects.

Market supervision agencies, industry and information technology departments, development and reform commissions, and other relevant government bodies in various localities frequently operate independently and implement policies according to local interpretations and priorities when addressing digital economy issues. This lack of coordination significantly affects the potential for integrated development of the digital economy across the region and creates unnecessary barriers for businesses operating across multiple jurisdictions within Guangxi.

The resulting inconsistencies in regulatory enforcement, different interpretation of strategy requirements, varying approval procedures, and conflicting priority areas create substantial compliance burdens for businesses and reduce

the overall effectiveness of digital economy development initiatives throughout the autonomous region.

2.3 Absent Cross-border Regulatory Rule of Law Framework and International Coordination

Cross-border digital economy policies critically lack legally effective standard systems and internationally coordinated enforcement mechanisms that can address the complex challenges of operating across different national legal frameworks, regulatory systems, and enforcement jurisdictions. Key regulatory areas including data exit assessment procedures, important data protection standards, cross-border platform management requirements, and international payment system regulations lack detailed legal norms and clear implementation guidelines.

This regulatory gap creates serious compliance difficulties and legal uncertainties for enterprises operating across borders, particularly those engaged in cross-border e-commerce, digital services, data processing, and technology transfer activities. The absence of clear, predictable, and enforceable rules increases business risks, reduces investment attractiveness, and limits the potential for developing sophisticated cross-border digital business models.

The absence of systematic rule of law frameworks for international coordination results in regulatory departments having inconsistent enforcement standards, arbitrary decision-making processes based on individual interpretations rather than clear legal criteria, and significantly reduced administrative efficiency in handling cross-border business applications and compliance issues. This situation undermines Guangxi's strategic positioning as a gateway for China-ASEAN digital economy cooperation.

3. Comprehensive Analysis of Underlying Causes and Structural Barriers

3.1 Deep-Rooted Traditional Governance Inertia in Frontier Ethnic Regions

Administrative-dominated thinking and governance approaches remain deeply entrenched throughout Guangxi's governmental institutions, reflecting patterns established during the early reform and opening period when the region developed a characteristic "government-led, administrative promotion" model for economic

development. This historical approach emphasized direct government intervention in market activities, extensive use of administrative commands and directives, and primary reliance on bureaucratic decision-making processes rather than market mechanisms or legal frameworks.

The complex multi-level governance system characteristic of ethnic autonomous regions further reinforces these administrative approaches through institutional structures that encourage governments at various levels to issue numerous normative documents, regulatory interpretations, and strategy directives based on their specific jurisdictional powers and local political priorities. This creates a proliferation of overlapping and sometimes conflicting administrative rules that prioritize bureaucratic control over legal consistency and market efficiency.

These differentiated management modes have become institutionally embedded, with different administrative levels and functional departments developing independent management systems that operate according to varying standards, inconsistent enforcement scales, and different interpretation of strategy requirements. The resulting fragmentation creates substantial coordination challenges and hinders the development of unified rule of law implementation across the entire autonomous region.

3.2 Significant Regional Development Imbalances Creating Systematic Coordination Barriers

Substantial differences in economic development levels across different regions within Guangxi create corresponding disparities in rule of law construction progress, institutional capacity, and implementation effectiveness. These imbalances affect both the capability and incentives for different regions to adopt consistent legal standards and coordinated strategy implementation approaches.

Economically backward regions often tend to adopt more flexible regulatory standards and simplified strategy instruments in efforts to rapidly advance industrial transformation and attract investment, frequently at the expense of legal consistency, environmental protection, and long-term sustainability considerations. This creates a "race to the bottom" dynamic that undermines efforts to establish unified regional standards and coordinated development approaches.

Industrial foundation imbalances across different regions generate significant rent-seeking opportunities during strategy implementation processes, with differentiated strategy support systems creating cumulative advantages for early beneficiary enterprises and established business networks. This dynamic tends to perpetuate existing inequalities and widens development gaps between different market participants and geographic regions, making coordinated strategy implementation increasingly difficult over time.

3.3 Complex ASEAN Opening Characteristics Significantly Increasing Implementation Difficulties

As a strategically important frontier region specifically positioned for opening and cooperation with ASEAN countries, Guangxi's digital economy strategy implementation encounters multiple layers of complexity arising from cross-border cooperation requirements, international legal coordination needs, and the necessity of navigating different national regulatory frameworks simultaneously.

The region must simultaneously address and coordinate with different national legal systems, varying international standards for emerging digital business models, conflicting regulatory approaches across multiple jurisdictions, and diverse cultural and institutional contexts that affect business practices and enforcement procedures. This creates substantial challenges for developing unified strategy approaches that can effectively operate across these different environments.

Traditional border trade rules developed for conventional commerce, newer China-ASEAN Free Trade Area regional regulations designed for broader economic integration, and rapidly evolving international digital economy standards create overlapping and sometimes contradictory rule networks. [5] These multiple regulatory frameworks significantly complicate unified strategy implementation and enforcement while creating uncertainty for businesses attempting to operate across these different regulatory environments.

4. Comprehensive Rule of Law Framework for Strategic Strategy Enhancement

4.1 Rule of Law Guarantee Mechanisms: Building Comprehensive Systematic Strategy Foundations

Institutional construction serves as the fundamental support structure for modern industrial strategy systems in digital economy development. Comprehensive legal frameworks provide essential governance guidelines that establish clear boundaries for government action, effectively constrain public power exercise within appropriate constitutional and legal boundaries, and create stable, predictable development environments for diverse market entities operating across different sectors and scales.

Through systematic institutionalization approaches that emphasize legal certainty, procedural transparency, and accountability mechanisms, government roles can be clearly redefined to focus on market facilitation rather than direct intervention, ensuring that all administrative behavior consistently operates within standardized legal parameters while promoting sustainable economic development and protecting legitimate stakeholder interests.

4.2 Rule of Law Guidance Systems: Establishing Coordinated Strategy Mechanisms

Modern economic governance systems require institutionalized strategy coordination mechanisms that transcend traditional administrative boundaries, sectoral divisions, and jurisdictional limitations. [6] Standardized coordination frameworks can effectively constrain administrative discretion while providing sufficient flexibility for local adaptation, enhance strategy implementation predictability across different levels and sectors, and establish clear accountability structures with appropriate monitoring and evaluation systems.

These mechanisms should create long-term stable strategy linkage channels that improve inter-departmental cooperation, reduce implementation conflicts across different levels of government, and ensure consistent application of strategy principles while allowing for appropriate local adaptation and innovation within established legal frameworks.

4.3 Rule of Law Regulation Instruments: Developing Precise Strategy Implementation Tools

Enhanced rule of law functions are crucial for building precise, targeted strategy interventions that can effectively address specific market failures and development challenges while

avoiding unnecessary government intervention in well-functioning market mechanisms. Legal mechanisms should clearly define strategy incentive boundaries and strategic directions, establish comprehensive evaluation and monitoring systems with appropriate indicators and feedback mechanisms, and emphasize differentiated, precision-oriented incentive measures. [7]

These approaches ensure that strategy instruments are carefully tailored to specific characteristics and developmental needs of different market entities, sectors, and regions while maintaining overall coherence and effectiveness across the entire strategy framework and avoiding contradictory or counterproductive interventions.

5. Strategic Implementation Pathways and Operational Mechanisms

5.1 Breaking Traditional Governance Inertia Through Comprehensive Legislative Reform

Priority should be systematically given to functional industrial strategy legislation that directly addresses core digital economy governance challenges while establishing clear legal foundations for market-oriented development approaches. Guangxi should formulate comprehensive "Digital Platform Management Regulations" that clearly specify platform access conditions and transparent procedures, operational rules and behavioral boundaries that protect both platform operators and users, and fair exit mechanisms and requirements that prevent arbitrary government intervention.

Simultaneously, developing comprehensive "Data Element Market Management Regulations" will establish fundamental legal frameworks for data property rights definition and protection, transparent transaction rules and procedures, comprehensive security standards and enforcement mechanisms, and effective cross-border data flow management that balances security requirements with business efficiency and innovation needs.

These legislative initiatives should establish unified data flow standards across the region, create normalized strategy coordination mechanisms with clear procedures and accountability structures, and ensure consistent implementation across different administrative levels and functional departments while

maintaining appropriate flexibility for local adaptation and innovation within established legal parameters. [8]

5.2 Promoting Regional Coordination Through Systematic Legal Integration

Establishing clear and comprehensive legal frameworks for coordinated regional development requires creating sophisticated ASEAN-facing interest distribution systems and cross-border compensation mechanisms that can effectively address the complex challenges of international economic cooperation while protecting legitimate stakeholder interests and ensuring equitable benefit-sharing across different participants and regions.

Market access standards must be systematically unified across the entire region through comprehensive monitoring platforms for factor flows, investment procedures, and business operations that provide transparency and predictability for all stakeholders while maintaining appropriate regulatory oversight and protection for strategic interests and public welfare considerations.

Implementation of differentiated support policies should strategically divide regions into innovation-leading zones with advanced capabilities and resources, accelerated development areas with moderate support requirements, and foundation improvement districts with substantial infrastructure and capacity building needs. Each category should have carefully tailored legal frameworks and strategy instruments that promote balanced regional development while avoiding inefficient resource allocation and unnecessary duplication of efforts.

5.3 Addressing Cross-Border Challenges Through Standardized International Procedures

Standardizing cross-border cooperation requires implementing sophisticated layered responsibility systems that clearly define rights, obligations, and accountability mechanisms for all participating parties including government agencies, private sector entities, and international organizations. These systems should provide sufficient flexibility to address the diverse needs and characteristics of different types of cross-border activities while maintaining consistency with international standards and practices.

Building comprehensive multi-level dispute resolution systems should strategically leverage established institutions such as the China-ASEAN Economic and Trade Arbitration Center to establish specialized cross-border mediation mechanisms that can effectively address different types of disputes while maintaining consistency with international commercial law and arbitration practices.

Additionally, creating comprehensive rule coordination platforms and enforcement cooperation systems will ensure consistent implementation of digital economy policies across borders while maintaining regulatory effectiveness and business predictability. These systems should include regular consultation mechanisms, information sharing procedures, and coordinated enforcement approaches that can address the complex challenges of cross-border digital commerce while respecting sovereignty and jurisdictional boundaries.

6. Conclusion and Strategic Future Directions

Rule of law reform in Guangxi's digital economy industrial strategy represents a fundamental strategic requirement for building a comprehensive ASEAN-facing digital economy highland and regional innovation center that can effectively serve as a model for international economic cooperation and sustainable development in the digital age.

The fundamental objective of this comprehensive reform initiative is systematically reshaping government-market relationships to allow market mechanisms to play truly decisive roles in digital economy development while ensuring appropriate regulatory oversight, protection of legitimate interests, and maintenance of fair competition conditions that promote innovation and sustainable growth.

Governments at all levels throughout Guangxi should strategically focus their efforts on systematically improving institutional environments for ASEAN opening and cooperation, maintaining transparent and effective fair competition standards that promote innovation while preventing market abuse, and comprehensively protecting innovation rights and intellectual property that encourages continued technological advancement and business model innovation.

Through systematically establishing comprehensive rule of law institutional frameworks specifically designed for ASEAN

cooperation and international integration, the region can effectively promote the formation of innovative industrial governance models that combine market efficiency with appropriate regulatory oversight, ultimately creating favorable institutional environments for building the China-ASEAN Digital Economy Cooperation Demonstration Zone and contributing significantly to broader regional economic integration and sustainable development objectives.

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