The Internet and Governance – The Case of China

Yu Hong

DECODE Symposium, 2018
• History

• China and the Cybersphere

• Cyber sovereignty

• Platform immunity
HISTORY
Humble beginning
## A Sketch of China’s Digital Capitalism

<table>
<thead>
<tr>
<th>Ownership structure</th>
<th>Commodity Chain</th>
<th>Inside the system</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberalized transnational economy</td>
<td>Device/equipment manufacturing</td>
<td>State-dominated</td>
</tr>
<tr>
<td></td>
<td>• Transnational production networks</td>
<td>Plugged into global financial networks</td>
</tr>
<tr>
<td></td>
<td>• Next-generation ICT industries</td>
<td></td>
</tr>
<tr>
<td>Cyberspace</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• BAT business empires</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Internet-based economic space</td>
<td></td>
</tr>
<tr>
<td>Network connectivity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Urban-oriented and outward-looking</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• New-generation digital infrastructures</td>
<td></td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Corporatization in 2000s and after 2008</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• New “profitmaking” cultural industries</td>
<td></td>
</tr>
</tbody>
</table>
Birth of broadband represented a route to offset the slowdown in the global telecom business, for both telecom operators and equipment suppliers.
Clash of Titans

Clash of the titans

Chinese and US tech giants go at it in emerging markets

Colossi such as Facebook and Tencent have never competed directly. Until now
BEYOND DICHOTOMY: CHINA AND THE CYBERSPHERE
Intranet vs. Internet
A multilayered ensemble of techno-economic infrastructures and legal-political governance, on the one hand, and socio-cultural assemblages that enable self communication and communicative ties, on the other.

From cyberspace to the cybersphere
This technical-commercial infrastructure is intertwined with foreign capital and foreign technology.

Increasingly China-based Internet companies constitute a ‘parallel universe’ of large, profitable companies rivaling US based firms. The two tap a common pool of capital, talent and ideas.
Platformization of cyberspace is structured by bottom-up mechanisms and vitalities, which sustain and detail the top-down governance of platforms.
The cybersphere forges a wider range of communicative relations that spearhead and support China’s socio-economic transnational entanglements...

...and also fosters disagreement spaces that integrate scales at micro, meso, and macro levels
PROBLEMS OF CYBERSPACE
GOVERNANCE
The romantic imagination of cyberspace as a separate realm outside of physical space and the reach of either national government or market forces...

.... the spread of digital networks with issues of cyber sabotage, security and warfare propels disagreement on problems of cyberspace governance
Cyber sovereignty and platform immunity...

...Have become crucial sites of conceptual and institutional development upon which hinges on the wellbeing and growth of global communications.
1. Findings: Cyber sovereignty

**Phase I: Against US control: Countering global Internet hegemony**
- Tenant; threat perception; territoriality of the Internet; neutral global authority

**Phase II: Sovereignty as globalist development and global connectivity**
- Big network nation; common prosperity and non-transferrable rights to development, governance, and participation; flexible frontier; shared governance
- Transcend central vs. peripheral; market vs. states; domestic vs. global
It demarcates boundaries through authority, territory, and population in the by-default transnational structures of cyber intermediaries, supply chains, and data flows, leaving loopholes, decentralization, and diffusion as normality.

• Demarcating border 2.0
  – Platforms, accounts, and content
    • Editor-in-chief
  – Transnational supply chain
    • Security inspection; WTO rules for business users
  – Cross-border flows
    • Local storage; data ownership; thresholds
2. Findings: Platform immunity

Phase I: subjected web portals and bulletin boards to strict liability for their users’ action and imposed enforcement responsibility on online enterprises, initially for both speech and commercial considerations.

Phase II: the state *fragmented* its blanket platform liability system by carving out conditions for platform immunity from IPR and public interests infringement.
The shift of the state’s approach towards platforms, from enabling to leveling and then to constraining... is motivated by the US-China trade disputes...

...And by a fundamental contradiction between the preference of transnational corporate platforms on the one hand and grassroots preferences and practices that animate the online bazaar economy on the other.
Following the traditional praxis of critiquing specious views, practices, and structures developed during an era of prevailing communication flows from center to periphery, this discussion is ultimately a step towards laying the grounds for open public debates over a global digital cyber-sphere order and for considering anew the Internet and governance.
Thank you!

Contact: hong1@zju.edu.cn

University of Illinois Press, 2017