A Comparative Study on Rationales of Chinese and Western Platform Governance

Yifan Liu
Department of Media and Communications, The London School of Economics and Political Science, London, United Kingdom

Abstract. Digital platforms enhance economic exchange and social, cultural, and political communication. In terms of platform governance, Western democratic debates call for state intervention and user supervision with the premise of platform autonomy, despite the low enforcement efficiency. This paper introduces a non-western perspective to approach platform governance. Taking WeChat as an example, this paper analyzes the similarities and differences between the rationales of Chinese and Western platforms, gives insight into the advantages and disadvantages of different governance frameworks, and hopes to help Chinese and Western media policy makers to foresee possible future platform governance models.

Keywords: Digital platforms and infrastructures; Platform Regulation; Democratic Debates

1. Introduction

Technological platforms are gaining more power over users and gradually dominating the market through convergence and network effects[1], but relevant policies and regulations are far from following up to balance various stakeholder interests in economic value with the public values for society. The research on digital platforms put overwhelming emphasis on the American context, considering the remarkable economic and political impact of current-dominant western giant technology platforms. Although the most well-known technology platform companies are American, the non-western platform has been playing a vital role. To avoid epistemological parochialism, the essay will introduce an example of WeChat, an influential Chinese digital platform launched by Tencent, to supplement the existing research on western debates concerning liberal values and platform regulation. Investigating the relations among the state, platforms and users, the essay will contend that the state’s institutional instructions serve as the core of platform regulation in China, putting great emphasis on regulating media.

2. Platform regulation in western democratic debates

Despite the democratizing potential such as facilitating citizen participation, digital platforms are often questioned and criticized by the government and civil society stakeholders for gathering, processing, and selling data captured from user behaviours algorithmically[2]. The “datafication” and “commodification” of social relations in the process of platformization raise public concern about unfair treatment towards different users, privacy protection issues, and the abuse of platform power. Worse still, platform corporations are skilled experts at taking advantage of the loopholes in national labour laws and trade unions, which creates an unstable working environment for the labour and brings challenges to the traditional incumbents, such as newspapers, hotels, and taxi companies[3]. Therefore, platform governance is essential to balance stakeholder interests. Even though western democracies justify policy and regulatory interventions by the need to balance contested values of different sides[1], the established regulatory frameworks call for minimum structural intervention and maximum autonomy of digital platforms. In other words, they suggest corporate self-regulation, co-regulation with state overseeing, or sharing part of the regulatory responsibility with platform users[4].

However, it is problematic that platforms undertake the disproportionate duty of mitigating actual and potential harm through self-made principles, which means they are endowed with the excessive ability to explain their operations. To regulate the power of platforms, liberal democratic debates
emphasize the necessity to challenge the underlying logic of business strategies which put sophisticated commercial datafication processes in the priority[2]. There are also concerns against state intervention, stressing the protection of privacy and freedom of speech that is inherent in a democratic constitutional state[5]. In this case, it is imperative to institutionalize a more appropriate mechanism that allows for reasonable interventionist approaches by the state and effective public oversight of the dominant platforms, such as public hearings and media campaigns.

3. **Regulate WeChat: a Chinese perspective of platform governance**

As one of the most representative and prevalent social media platforms, WeChat embodies the logic of platform regulation in the Chinese context. It benefits from the marketization and disinvestment policy, enjoying more self-autonomy to regulate users for profit to develop its ideal platform ecosystem. Platform regulation in China also focuses on the intertwined conflicts of interest, which includes platforms’ ownership of data extracted from users and the state's financial and political control over platform corporations. However, instructed by the ideology of socialism and communism, China emphasizes collectivism and justifies the common interest of the majority rather than the privileges of individuals. Under such circumstances, the authoritarian regime has supreme power over capitalism to enact policies and regulations that favor both the commercial market and the citizens.

3.1 **Platform versus user: digital governance of WeChat on users**

Digital control over ordinary people in terms of user behaviours is practiced silently and ubiquitously via media applications without involving any legislation[6]. The interplay design of WeChat, which encourages content sharing, accounts for the use frequency of this App by young generations to browse and share original moments of their personal lives, which generates the rise of sharing culture[7] and “individualism among young generations in post-reform China”[8]. Aside from interplay design, WeChat also regulates users through particular terms of service for each product function. Take WeChat Public Account as an instance. Its user contract is targeted at content providers: newly registered users who decline to sign the contract will not achieve permission to disseminate texts or audio-visual materials on the platform. Once signing user contract, WeChat get rid of some burdens by sharing responsibility with users.

Other terms in WeChat's user agreements include real-name authentication, the specific reward and punishment mechanisms for media content, the commitment from Tencent to protect user privacy, as well as the obligations for the users to abide by the state legislation. Such rules and principles favour the economic interest of WeChat itself but also consider common good. To illustrate, the real-name registration makes sources of content traceable, thus effectively protecting platform users from misinformation and mal-information operated with unmoral purposes. The reward-and-punishment mechanism ensures that grassroots citizens also enjoy the opportunity to become creative producers and benefit from the monetization of virtual gifting (e.g., “Dashang” in Chinese), which opens possibilities for communitarian and reciprocal relationships[9].

3.2 **State versus platform: political scrutiny on media content**

Couldry and Mejias[10] introduce the concept of “digital colonization” to depict the fact that platforms and applications continuously extract data for profits from human lives. People who control or operate platforms are not trying to understand human behaviours but predicting the consuming preferences of users. Platform exploitation and inequality arise because platforms prioritize economic values and indulge users in pursuing profits. Similar phenomena appear in WeChat too: Content producers follow suit and copy others’ practices and vernaculars [11] while the sharing mechanism facilitates the rapid circulation of homogeneous content, thus leading to copyright infringement and media content concentration. As a result, statutory regulation, playing the role of the third party, is
indispensable to maintaining a healthy and fair environment for market competition and scrutinizing
the interplay between platforms and citizens.

The Cyber Administration of China published a series of legislations to deal with issues such as
the infringement of intellectual property rights, malignant capital convergence and improper online
behaviours at a microscopic level. Under executive orders and policies, platform operators are
imposed strict liability to behave as responsible guardians and cooperate with the state through
surveillance of media content and user behaviours by means of algorithmic detection or manual
inspection. According to a report published by the Chinese Academy of Social Sciences in June 2015,
only 7 per cent of fake news originated from WeChat since WeChat intercepted 2.1 million rumors
per day on average. In the same period, more than half of the fake news originated from Weibo[12].
Several years later, the Chinese government gradually brought mandatory rectification to the
foreground[13]. Responding to the relevant regulations, WeChat can automatically refuse to transmit
messages of harmful keywords to receivers, thus eliminating the possibility that lawbreakers
disseminate illegal messages to stir up social disorder. Other topics in terms of corruption, fake news,
speculation, and political commentary on sensitive public affairs will also be blocked.

Nevertheless, the problem is that the administrative bodies and law enforcement agencies are
granted more judicial interpretation power when platform policies and legislation leave some grey
areas for the executive branch. For example, Article 12 of the Cybersecurity Law of the People’s
Republic of China[14] mentions that cyber users must not engage in online activities that are
detrimental to national security, sovereignty, socialist system, and state governance; must not
fabricate and disseminate false information to disrupt economic and social order. The articulation is
not detailed enough to answer concrete questions in practice, like whether the digital platforms are
qualified to verify the numerous pieces of information for the public, whether platforms own the
power to determine the existence of harm to the state, and who should be responsible for explaining
an illegal judgment. As the state holds the final explanation right to conduct administrative or legal
sanctions on platforms or individuals, the essence of the Chinese platform regulation model would be
the “government” rather than the cooperative “governance” apparent embodied in the western
regulatory framework.

3.3 State versus user: cultivating the consciousness of self-censorship

Based on rationales such as protecting national security, the state is justified to use communication
surveillance [15] and mediate a harmless digital world in which citizens benefit from media pluralism
and a democratic and rational public sphere [16]. However, the interception of communication also
means the infringement of inherent rights, including freedom of speech, freedom of creation, and
equal access to information. On January 3, 2020, an ophthalmologist named Li Wenliang was held in
custody by Wuhan police for disclosing the outbreak of unidentified pneumonia to his alumna on the
WeChat group. According to WeChatSCOPE, a website displaying the blocked WeChat articles, 66
articles that mention Li Wenliang in the texts were hidden behind 404 pages from January 3 to the
end of March [17]. A third of the 66 articles showed criticism between the lines, but only three of
them demonstrated discontent directly in the title, arguing that “lies are more terrible than the virus,”
“the government leaders of Hubei Province should be impeached,” and “shame on the leadership of
Hubei for not resigning.” These offenders, who are also the authors of the deleted articles, will go
through a three-step process of sanction in the light of severity: delete or replace the objectionable
content in the first place, receive a warning message from the platform at the second offence, and lost
their account at the third violation [18]. The operators of the WeChat Public Account will send a
notification to inform account users of platform censorship, explaining that “a large number of people
have reported your article, so we delete your posts following relevant national laws and policies,”
which denotes that the platform is not the decisive constitution of media content regulators.

Both content providers and readers are accustomed to strict regulation gradually. Some authors
will post their works to overseas platforms (e.g., Archive of our own) and substitute sensitive words
and phrasing with homophone words and abbreviations. Readers who are familiar with the related
context will understand the implication of the authors. However, such measures can only avoid algorithmic detecting because professional human inspectors are even more adept at understanding argots in the texts during the process of censorship. Therefore, content providers have no alternative but to give up some sensitive topics and spontaneously cultivate a habit of self-censorship to avoid a waste of time and effort on an article that is bound to be blocked.

4. Rationales for different models of platform regulation

Different countries prioritize different core values in light of political institutions and economic characteristics. Western countries are alert to the harm to fundamental civil rights from both the government and platform giants and justify statutory regulation only to favor media pluralism and limit the cross-media ownership holdings of media giants[19][20]. China pays more attention to the implication and influence of media content spreading online and tries to implant the core virtues of socialism in public deliberations. For instance, the Chinese government advocated that we should mourn the victims who died of coronavirus on April 4th, 2020. Without any official clauses that prohibit entertainment, Tencent Games spontaneously shut down its service that day while Bilibili changed the colour of the user interface to black and white, blocked all the entertaining audio-visual content and displayed nothing but epidemic-related videos produced by state-run media. Besides, the state also encourages the production of media works that align with national virtues while imposing tougher penalties on violators that produce and disseminate harmful information.

China has been criticized for tightening policies on public discourses under the principles of deliberative democracy. Considering the power relations of the state, platform corporations and users, online censorship leaves platform users at stake because they undertake both digital governance from platforms and political surveillance. Even though it is difficult to achieve a democratic public sphere in line with western ideologies of democracy, the model of Chinese platform regulation is justified by Chinese citizens for contributing to collective interest in general, and proved to be efficient to mediate a pluralistic but positive environment for platform users. Debates and controversy concerning imperfect regulations still arise periodically on the Internet where the majority of citizens participate in political affairs. The representatives of people selected through democratic election will also contribute to the development of platform regulation on the public hearing or during the national people’s congress.

In short, the platform regulation of China represents the strengths of statutory control. When corporations care more about profits, the state will come forward, interfere, and prioritize public interest. The state legislation ensures the implementation of relevant policies and refrains from the situation that actors involved in governance shift responsibilities on each other. A western model of media regulation favors self-regulation and believes digital platforms are more familiar with their users. Compared to mandatory prohibition and restriction from the government, measures of self-governance and co-regulation are more flexible and more reasonable for allowing the participation of multiple stakeholders.

5. Conclusion

Different countries have their way to appoint the responsibility of stakeholders, the government and other outside observers and place emphasis on different values. Western democratic debates on platform regulation are struggling to balance the intertwining values of various stakeholders and call for cooperative governance, but it is difficult to achieve a long-lasting consensus or find a solution once and for all, as long as conflicts and contests of interest exist and keep changing with the development of digital technology and the platform revolution. To break the bottleneck, western policymakers and platform regulators should adopt a non-western perspective on platform regulation and have an insight into both merits and demerits of a different regulatory framework. It will be useful to generate more inspiration for regulatory frameworks and help western platforms imagine or foresee
the possible future model of regulation. Just as the Chinese model introduced in this essay, state legislation ensures the implementation of relevant policies and refrains from the situation that actors involved in governance shift responsibilities on each other.

References