

Platform  
as Infrastructure and  
the Rise of Ant  
Financial in China

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HONG SHEN

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### Author

**Hong Shen** is a Systems Scientist at the Human-Computer Interaction Institute at Carnegie Mellon University.

### Research coordination team

**Principal Investigator:** Anita Gurumurthy

**Co-investigators:** Deepti Bharthur, Nandini Chami

**Editorial Support:** Mridula Swamy, Amruta Lakhe

**Design:** Meenakshi Yadav, Prakriti Bakshi

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# **Platform as Infrastructure and the Rise of Ant Financial in China**

Hong Shen  
Carnegie Mellon University

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## 1. Introduction

In March 2015, reporting to the National People's Congress, Chinese Premier Li Keqiang announced that China has adopted an Internet Plus strategy, which aims to link the internet, especially next-generation network technologies such as Big Data and Internet of Things, with almost all the sectors of the Chinese political economy (Xinhua, 2015a). A few months later, on July 5, China's State Council, the top decision-making body of the government, formally promulgated the Internet Plus Action Plan, calling to further deepen the integration of network technologies with 11 targeted sectors, including entrepreneurship and innovation, manufacturing, agriculture, energy, finance, public services, logistics, e-commerce, transportation, green ecology and artificial intelligence (State Council, 2015). With various state agencies and local governments issuing their own versions and interpretations of this central strategy, Internet Plus has officially become a hallmark policy under the Xi Jinping-Li Keqiang administration.

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Certainly, Internet Plus is not new. To combine "informatization" – the application of information technologies – and industrialization has been a long-standing policy goal for the Chinese leadership. As Yuezhi Zhao (2007) argues, from Premier Zhou Enlai's "four modernizations" in the 1970s to President Jiang Zemin's "none of the four modernizations would be possible without informatization" in the 1990s, the development of a modern information industry – under the influence of the then flashy international branding of the internet as the "information superhighway" – was regarded by the top leadership as a critical opportunity to reclaim China's historic position as a technologically advanced country and to "catch up with the West". And as Yu Hong (2017) shows, in the 1980s and 1990s, ICT manufacturing was considered as a "pillar industry" that spearheaded China's Foreign Direct Investment (FDI)-driven, export-oriented, and labor-intensive development, entering into the 2000s, network connectivity and online applications started to gain prominence and have been accorded a new role in propelling China's post-2008 restructuring toward an innovation and consumption-based economy, involving both moving up the global production value chain and transitioning to a more domestic-oriented economy.

What has set the current Internet Plus policy apart from its previous "informatization" plans, arguably, is the unprecedented role granted to China's private internet firms in carrying out this massive developmental initiative. By mid-2014, four of the 10 largest internet companies in terms of market capitalization were based in China and all of them were rooted in the country's private sector: Alibaba, Tencent, Baidu and JD.com. These firms, probably unsurprisingly, have been accorded a critical position in the current restructuring of China's political economy, which also reflects the leadership's determination to let the market play a "decisive" role in resource allocation (Xinhua, 2013b). For example, after the promulgation of the Action Plan in July 2015, Liu Duo, vice-president of China Academy

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Internet Plus presents a critical policy conjuncture where the “platformization of infrastructures” and “infrastructuralization of platforms” meet in China

of Information and Communication Technology, commented that “private enterprises and non-state capital is a major force” in developing China’s digital economy, while Internet Plus will promote the “co-development of socialist public ownership and non-public economy” (Liu, 2015). In fact, one of the primary features of the Internet Plus plan is to open up a number of China’s previously highly regulated infrastructure industries – many of them are controlled by state-owned enterprises – for private internet capital to permeate.

Using Google and Facebook as examples, scholars have demonstrated that the rapid development of digital technologies has “made possible a ‘platformization’ of infrastructures and an ‘infrastructuralization’ of platforms” in the West (Plantin, Lagoze, Edwards, & Sandvig, 2016). As they have argued, Google and Facebook can be considered as both “infrastructures” and “platforms”. On the one hand, both companies have become so ubiquitous in our everyday lives that their services have acquired important public value that is often embodied in public infrastructures. On the other hand, they are also corporate-run digital platforms on which users and developers can build applications to both exploit the data in their ecosystem and to further feed into the data collection and commodification cycles.

This paper looks at the recent rise of Ant Financial as an example to elucidate the double articulation of “platformization” and “infrastructuralization” in the age of Internet Plus in China. Like Facebook and Google, Ant Financial exemplifies the features of both platform and infrastructure. As a platform, it connects users (sellers and buyers) and financial institutions and allows third-parties to build digital objects on it. At the same time, under the Internet Plus policy, it has also increasingly assumed the role of basic infrastructure, embedded in people’s everyday economic activities. Indeed, in China, you can essentially live your financial life on the Ant Financial platform – from online shopping to offline transaction, applying for private loans, and paying public utilities fees.

Unlike Google and Facebook, however, the rise of Ant Financial as a basic financial infrastructure has taken shape in a vastly different political-economic and social context. This paper argues that Internet Plus presents a critical policy conjuncture where the “platformization of infrastructures” and “infrastructuralization of platforms” meet in China. This double articulation, however, has not been a smooth process and has raised many policy concerns as well as highly visible public disputes.

Alibaba is increasingly the new “national champion” of the Chinese economy and has propelled the state to involve its corporate leaders into the policy-making process

Relying on a systematic review of state policies, industrial records, news articles and trade journals, this paper specifically investigates three mini cases in the business development of Ant Financial: the Alipay dispute in 2011, the Yu’e bao drama in 2013 and the monetization of Sesame Credit in 2016. It argues that the three cases each reveal a different type of power struggle in the formation of the Chinese-style “platform capitalism” and collectively underline the great policy implications in the era of

## Internet Plus.

First of all, the deep and complicated entanglement of China-based internet companies with transnational capital (for example, through the highly convoluted Variable Interest Entity (VIE) ownership structure, as will be discussed in detail later) and the increasingly prominent role of these companies – as basic infrastructures – in the Chinese political economy have raised substantial concerns around corporate nationality and data security. The 2011 dispute between Alibaba, Yahoo and SoftBank over the ownership of the online payment system Alipay – which directly gave rise to Ant Financial – is an important case in this regard.

Secondly, unlike many western countries, the Chinese state, as a self-proclaimed “socialist market economy,” still occupies the “commanding heights” over many of China’s basic infrastructure sectors. The banking and finance industry, in particular, has long been tightly regulated and dominated by the “Big Four” state-owned banks. The penetration of private digital platforms into this state-dominated sector under the policy banner of Internet Plus, in turn, entails complex power struggles. The Yu’eobao drama in 2013, which involves a series of disputes among Alibaba, state-owned banks and Chinese banking regulators, offers a glimpse into the complicated and highly opaque policymaking process in China.

Finally, the different and often contradictory imperatives between basic infrastructures that offer services of broad public value and private platforms that primarily pursue profits also created significant conflicts between digital platforms and their users, and often lead to significant social resistance. The recent attempt of Ant Financial to monetize its credit-scoring system (Sesame Credit) through social network functions and the resultant public backlash reveals such particular tension.

## 2. Alibaba and Internet Plus

Among all the Chinese internet companies that have been active in the Internet Plus wave, Alibaba stands out as a particularly significant case. As the world’s largest e-commerce company and one holding a historical IPO, Alibaba has increasingly become the new “national champion” of the Chinese economy. It has also propelled the state not only to involve its corporate leaders into the policy-making process – for example, its chairman Jack Ma has been routinely invited to Beijing to take part in internal conferences at Zhongnanhai, the center of political power in China – but also to open up many previously closed or highly restricted industries for the company to enter. In an open letter published in October 2015, Jack Ma claimed that what Alibaba aims to offer is one of the four indispensable commercial infrastructure resources, just like water, electricity and land (Wen, 2015). Indeed, Alibaba has set its aim to become the basic infrastructure of Chinese economy.

Alibaba has started to cultivate strong collaborative relationships with China’s state-owned behemoths. In 2016, the company teamed up with China’s largest automaker to jointly develop driverless cars and will be working with Sinopec, the state-owned oil giant, on Big Data analytics and information security

Although the integration of ICT-related technologies into the financial sector has been a long-standing practice in China, “Internet finance” which appeared first in policy discourse around 2012 soon became a buzzword

Riding the tide of the Internet Plus, there have been many first times in Alibaba’s business adventures. In the area of network operation, HiChina, a subsidiary of Alibaba, was among the first 11 private companies – that includes Alibaba’s major domestic competitor JD.com – to be awarded a mobile virtual network operator license to resell network services of China’s three large state-owned operators (TeleGeography, 2014). The company has also extended its reach into public services through various collaborative projects with local governments. In 2015, the municipal governments of Beijing, Shanghai, Guangzhou and Shenzhen had all reached agreements with Alibaba to develop the smart cities initiative, linking public services like hospital appointments and utility bills payments with Alibaba’s platforms (Xinhua, 2015b). In addition to the well-saturated and highly-competitive urban market, Alibaba’s expansionist initiatives have been allowed and encouraged to spread into rural areas. In 2014, it announced its plan to build 1,000 county-level distribution centers and 100,000 village-level drop-off e-commerce service centers in the next three to five years, to stimulate the development of e-commerce in rural China (Wong & Chao, 2015). Most significantly, Alibaba – as a prominent private internet company – has also started to cultivate strong collaborative relationships with China’s state-owned behemoths, or, to borrow a title from the Wall Street Journal, to “teach dinosaurs to dance.” In 2016, the company teamed up with China’s largest automaker, the state-owned SAIC Motor Corporation, to jointly develop driverless cars. The same year, it also announced its plan to help the state-owned oil giant, Sinopec, on Big Data analytics and information security, officially extending its tentacles into the highly sensitive energy sector (Spegele & Abkowitz, 2016).

By the end of 2016, Alibaba seemed to have become the poster child of China’s Internet Plus strategy, enthusiastically supporting the state initiative while significantly extending its reach beyond e-commerce into areas that have been previously closed to private capital, be it network operation or public services. In other words, as a mega tech platform, it has transformed itself into a basic digital infrastructure that underpins many aspects of contemporary Chinese society. This, however, is not a friction-free process.

### 3. Internet Finance: Alipay, Yu’eobao and Sesame Credit

As a basic infrastructure of the Chinese economy, the banking and finance industry has long been a highly-regulated sector since the establishment of the PRC. The field was traditionally dominated by the “Big Four” state-owned banks – Industrial and Commercial Bank of China (ICBC), China Construction Bank (CCB), Agricultural Bank of China (ABC), and Bank of China (BOC) – which were then complemented by various smaller regional commercial banks (Shim & Shin 2016). A few government agencies jointly regulated this strategic sector, including the People’s Bank of China (the central bank), the China Securities Regulatory Commission (CSRC),

the China Insurance Regulatory Commission (CIRC), and the China Banking Regulatory Commission (CBRC) (Zhou, Arner, & Buckley, 2015). Although financial reform and liberalization have been a long-standing policy goal for the Chinese leadership since the late 1970s, a new wave started to gain momentum after the global economic crisis in 2008 and especially under the current Xi-Li leadership, characterized by the heavy involvement of private digital platforms. As Jing Wang (2018) convincingly points out, although the integration of ICT-related technologies into the financial sector has been a long-standing practice in China, the word “Internet finance” appeared first in policy discourse only around 2012 but soon became a buzzword.

### 3.1 The Alipay Dispute

Alibaba’s entry into China’s financial sector can be traced back to as early as 2004, when the company established its online payment solution, the PayPal-like tool, Alipay. As a leading player in China’s third-party payment industry, however, Alipay operated in a policy gray area during most of the 2000s, largely due to the lack of an appropriate regulatory regime at the time. This situation started to change in the 2010s, when the Chinese regulators increasingly recognized the significant role of private internet companies in the growing digital economy. In June 2010, China’s central bank, the People’s Bank of China, issued a set of new regulations that required all online payment service providers to obtain official business licenses in order to keep operating in the Chinese market. This new regulatory move, however, invoked serious disputes around Alipay.

One critical issue of Alipay was its obscure corporate nationality. As I have discussed elsewhere, during the late 1990s and early 2000s, the Chinese state demonstrated a complex and ambiguous attitude toward foreign capital in its domestic internet services and applications sector: impeding and even prohibiting foreign-operated enterprises – despite its WTO promise – but tacitly allowing foreign portfolio investments (Shen, 2017). This ambiguous policy has given rise to a highly-convoluted business structure between Chinese internet companies and their foreign investors – the VIE – that has significantly complicated the corporate nationality of many Chinese web platforms. The Wall Street Journal even reported in 2015 that “virtually every Chinese tech company listed in New York” has used this structure (Wong & Osawa, 2015a).

Alibaba’s close ties with global financial networks, especially the deep entrenchment of foreign capital in its corporate ownership structure, caused serious concerns when the state wanted to regulate its domestic online payment system with the aim to grant these internet companies even larger roles in its digital economy. Concerned that the parent company’s substantial foreign ownership – at the time, Yahoo owned 43 percent and Softbank owned 29.3 percent of Alibaba – would prevent Alipay from receiving a valid operating license under the new regulations, its chairman Jack Ma transferred Alipay out of the Alibaba Group to a company that is wholly-owned by Chinese nationals and 80 percent

Alibaba's close ties with global financial networks, caused serious concerns when the state wanted to regulate its domestic online payment system with the aim to grant these internet companies even larger roles in its digital economy

controlled by himself – Zhejiang Alibaba E-Commerce Company Limited, later renamed as Ant Financial. Alibaba’s transnational board members, including Yahoo and Softbank, were furious about losing their control over Alipay – despite a significant compensation plan later offered by Alibaba – as the subsidiary was not only expected to replace PayPal to become the world’s largest e-payment provider in a few years (Lee & Lin, 2009), but also incubated enormous economic potential. In 2015, Alipay was valued at more than \$45 billion (Chen, 2015). According to Jack Ma, however, the divestiture of Alipay was a necessary step for the payment service to keep its operation “without delay and without any detrimental impact to our China retail marketplaces” (Alibaba Group, 2014).

The details of the divestiture process of Alipay remained largely mysterious. It is possible that Jack Ma used this new regulatory move as a chance not only to comply with state regulations, but also to elevate his own power. However, with the aggressive expansion of internet capital into its various infrastructure industries, the Chinese state faces both economic and security concerns to continually curb the influence of foreign capital. Since 2015, a new Foreign Investment Draft Law has been under discussion in China’s Ministry of Commerce, which claimed that the “nationality” of a company under the VIE structure will be defined not based on its ownership structure, but based on who has ultimate control over the enterprise (Wong & Osawa, 2015a). Alibaba Partnership, a specific corporate structure developed in 2010, to ensure the decision-making authority remaining with its management team in China – despite dominant foreign ownership in its parent company (Ho, 2014) – might be useful in helping the company justify its “Chineseness” under the new regulation and continue its operation in the much-restricted, but highly lucrative, Chinese market. The formulation process of this Foreign Investment Law, however, has remained largely opaque: it is possible that Chinese internet elites have propelled the state to maximize their interests – sometimes against the interests of their foreign partners – through legal means. It is also possible, however, that the Chinese state has started to flex its regulatory muscle and tighten control over its online market. No matter what or who was behind the curtain, this Draft Law offers a new window into the complex state-capital interactions in the ongoing restructuring of Chinese digital platforms.

With the aggressive expansion of internet capital into its infrastructure, the Chinese state faces economic and security concerns about the influence of foreign capital

### 3.2 The Yu’ebao Drama

If the dispute around Alipay reveals the complicated interplay between the state, Chinese private internet companies, and foreign capital in shaping China’s internet finance sector, the drama around Alibaba’s online market fund, Yu’ebao, offers another glimpse into the fierce power struggles between the newly emerging private internet platform and the long-standing state-owned banks as well as the policy dilemma facing the Chinese regulators.

Launched in June 2013, Yu’ebao, meaning “save what’s left” or “leftover

treasure,” is an online wealth management product Alibaba developed based on Alipay. Relying on higher interest rates than traditional bank deposits and a user-friendly interface, Yu’eobao has quickly gained popularity among Chinese online shoppers and merchants, who can easily transfer their shopping funds or revenues from Alipay to this newly-developed, interest-bearing tool and withdraw at any time without penalty. Yu’eobao has become one of the world’s largest money-market funds and has significantly challenged China’s traditional banks. As might be expected, the banks fought back. The “Big Four” state-owned banks all started to impose limits on the amount of money their customers could transfer to Yu’eobao on a daily basis. Related state agencies also stepped in and flexed their regulatory muscles – probably not without the influence of the state-owned banks. The China Securities Regulatory Commission, for example, openly asked Yu’eobao to submit necessary documents and file for records, suggesting its services were not entirely approved by China’s financial authorities (Xinhua, 2013a).

What added to the complexity was the uniquely trans-boundary nature of Yu’eobao that has posed serious problems to the Chinese regulators. In a nutshell, Yu’eobao is a novel internet finance product based on a third-party payment platform, Alipay, which falls under the regulation of the central bank. It collects money, however, through channels overseen by the China Securities Regulatory Commission, and then invests primarily into China’s interbank market, which is supervised by the China Banking Regulatory Commission. This trans-regulatory nature has created a complex situation where no regulatory body can claim direct supervision over Yu’eobao and thus, there is a regulatory vacuum.

Just a few days after the China Securities Regulatory Commission issued its order, Alibaba’s chairman, Jack Ma, published an article on People’s Daily – the mouthpiece newspaper of the Chinese Communist Party – calling for the deregulation of China’s financial sector and advocating for greater involvement of private internet companies in China’s banking industry. In Ma’s words, China’s financial sector needs “disruptors” (Ma, 2016). If the conflicts between Alibaba and the “Big Four” state banks indicate that there were deep-seated tensions and conflicts between state-owned enterprises and private platforms along with the latter’s continuing expansion into China’s banking sector, the regulatory vacuum around Yu’eobao and Ma’s ability to use the Party’s organ to openly challenge China’s financial authorities, also reveal the internal fragmentation and contradiction of the state apparatus as well as the significant ambiguity in China’s policy toward internet finance.

China’s regulators have certainly realized the dilemma. On the one hand, they have given high hopes to these homegrown tech giants to restructure and innovate China’s financial sector; on the other hand, they also want to maintain China’s financial security and bank stability. Alibaba’s recent adventure in the banking system has further exacerbated this dilemma.

The regulatory vacuum around Yu’eobao and Ma’s ability to use the Party’s organ to openly challenge China’s financial authorities, reveals the internal fragmentation and contradiction of the state apparatus and the significant ambiguity in China’s policy towards the internet

The limited business scope of MYbank indicates that China's digital platform may still have a long way to go in terms of negotiating various security issues with the state apparatus in the area of internet finance

As mentioned above, China's banking system has long been dominated by state-owned banks. Only one wholly private bank, the Hong Kong- and Shanghai-listed Minsheng Banking Corporation, was allowed for operation in mainland China (Xinhua, 2014). This situation started to change under the current administration. In September 2014, along with other private capital, including its domestic rival Tencent, Ant Financial was awarded an operating license in China's banking sector (Wildau, 2014). One year later, Alibaba-backed internet bank, MYbank, in which Ant Financial holds a 30 percent stake, started its business in Hangzhou, China. Relying on the huge amount of consumer and business data Alibaba has collected through its various e-commerce platforms – including the most popular Chinese online shopping websites Taobao and Tmall – MYbank claims that it has an extremely powerful tool to evaluate the credit worthiness of its potential clients, even without adequate credit records or collateral. Therefore, while China's traditional lenders tend to offer loans to larger state-owned enterprises that are backed by central or local governments, MYbank promises to extend “inclusive finance” to under-served users by offering loans to the small businesses, or the “little guys” in China's economic system, based on the voluminous electronic transaction data Alibaba has commanded over the years (Tham & Carsten, 2015).

Despite its officially-granted operation license and unique market niche, however, MYbank's business scope has so far been quite limited. The security concerns of China's regulatory authorities have largely impeded on the process. For example, according to the Wall Street Journal, China's banking regulators have not yet given approval for users to open up new accounts online on MYbank, largely due to the security problems associated with using facial-recognition technologies to remotely verify the identity of account holders (Wong & Osawa, 2015b). Chinese users still need to visit their local bank branches – in traditional ways – to open up new bank accounts. In other words, without physical branches, MYbank has not yet been able to take in deposits and operate as a full-functional bank. Its core business therefore still focuses on micro loan services on Alibaba's e-commerce platforms. The limited business scope of MYbank indicates that China's digital platform may still have a long way to go in terms of negotiating various security issues with the state apparatus in the area of internet finance.

### 3.3 The Sesame Credit Dilemma

In 2016, Ant Financial announced another new experiment – to monetize its consumer credit score system, Sesame Credit, in social network settings. Launched in January 2015, Sesame Credit is a credit-scoring system primarily based on transaction data, captured and integrated by Alibaba through its various e-commerce and financial services, as well as related third-party services such as ride-sharing. It is calculated according to five dimensions, including users' credit history, fulfillment capacity, personal information, behavioral habits and social networks. Although the calculating algorithms behind these complex and ambiguous categories

remain “trade secrets,” the company has revealed that certain activities such as playing too much video games or buying diapers would potentially lower or boost the score (Ahmed, 2017). It is reported that when users’ Sesame Credits reach certain levels, they might qualify for some privileged services, such as skipping deposits for renting dockless bikes or enjoying an accelerated visa application process.

Like Alibaba’s other financial endeavors, Sesame Credit has been developed under the encouragement of the Chinese government. In January 2015, China’s central bank, the People’s Bank of China, issued a notice to allow eight indigenous digital platforms, including Ant Financial and its primary competitor Tencent, to develop pilot programs on social credit (People’s Bank of China, 2017). Sesame Credit was born in this supportive policy environment and has soon become one of the dominant players, largely relying upon Alibaba’s 400 million users as well as its deep connections with various government bureaus. For example, apart from transaction data collected from its own platforms, Sesame Credit has also been able to integrate data from critical state agencies to its system, including the data from the Ministry of Public Security. It is reported that the current trial services offered by digital platforms, led by Ant Financial, will have the potential to be rolled out into a nationwide social credit system by 2020 – indeed, to become a nationwide social credit infrastructure (Ahmed, 2017).

Sesame Credit’s path to become a basic social credit infrastructure, however, has been complicated by the profit maximization imperative of the platform. In 2016, to compete with Tencent’s killer social app, WeChat, and to strengthen Alibaba’s relatively weak position in China’s social networking market, Ant Financial launched a trial service to monetize the application of Sesame Credit in social networking settings. The so-called Quanzi (circles) feature allows users to create their own interest-based online communities on Alipay. Users can post photos and short videos in different social communities, which can then be liked, commented on and tipped with digital cash by others in the same circle. Online communities that allow young female users – labeled as “college students” or “white-collar workers” – to post private, or even sexy, photos, quickly became popular and sparked moral concerns. Moreover, one prominent feature of Quanzi is that it only allows users with a Sesame Credit score of over 750 to comment on and communicate with others in certain social groups, which soon invoked public backlash and significant social resistance. One Chinese netizen commented, “Does it mean only those men with credit scores of 750 or higher have the right to flirt with women on Quanzi? The feature might be creative but it’s absolutely unfair” (He, 2016). Ant Financial soon apologized, stopped these trial services and claimed that Quanzi was operated by a third-party company. Underneath this simple public relations message, however, are many unanswered questions: how did third-party companies get access to Sesame Credit in the first place? Is there any law or regulation existing, in terms of how private companies collect, use and commodify personal data in China? When big tech

When users’ Sesame Credits reach certain levels, they might qualify for some privileged services, such as skipping deposits for renting dockless bikes or enjoying an accelerated visa application process

Current trial services offered by digital platforms, led by Ant Financial, will have the potential to be rolled out into a nationwide social credit system by 2020

like Alibaba, whose main task is to pursue profits, serve as the dominant infrastructure of people's economic activities, are users losing control over the data they have generated from their everyday lives?

The scoring mechanisms and potential monetization scheme of Sesame Credit, of course, are still in an early experimental phase. Its problematic attempts to monetize consumer credit score through social networking function and the resulted social resistance against such data commodification, however, reveals the different and often-contradictory imperatives between basic infrastructures and private platforms.

## 4. Discussion and Conclusion

The growing inter-penetration of Chinese private internet capital into almost every aspect of the country's political economy stands out at a time when China and the internet have increasingly constituted "two poles of growth" in today's crisis-ridden transnational digital capitalism (Schiller, 2014). Under the slogan of the Internet Plus, the current leadership has given high hopes to the country's now world-class internet companies. By promising to deregulate many previously tightly-controlled or state-owned basic infrastructure sectors for its homegrown internet platforms, the state has accorded those newly-emerged private, high-tech players an unprecedented role in China's post-2008 restructuring toward an innovation and consumption-based economy. Alibaba's seemingly boundless expansion into China's banking and financial industry provides an important and revealing case in this regard.

As this article has demonstrated, such double articulation of "platformization" and "infrastructuralization" is by no means without disputes. If the Alipay dispute of 2011 reveals the deep entanglement of foreign capital in China's internet sector and the state's efforts in both cultivating innovation and maintaining data security, the Yu'eobao case of 2013 indicates that there were divergent visions and serious power struggles inside the state apparatus as well as the regulatory dilemma facing Chinese authorities. Finally, the monetization of Sesame Credit in 2016 unveils the different and often-contradictory imperatives between basic infrastructures that offer services of broad public value and private platforms that primarily pursue profits.

Moreover, we should neither overlook nor underestimate the role and capacity of Alibaba, and of private digital platforms in general, in China's policy-making process. With the state's continuing push and encouragement of indigenous internet companies into many of China's highly-regulated market segments, these enterprises have increasingly evolved into the new "national champions" of the country's digital revolution. The growing influence of Alibaba – and of China's now powerful private internet platforms – has given rise to a formidable force inside the state apparatus. Indeed, after the Premier released the Internet

Problematic attempts to monetize consumer credit score through social networking function and the resulted social resistance against such data commodification, reveals the different and often-contradictory imperatives between basic infrastructures and private platforms

Plus plan, not only has the Chinese internet business community as a whole publicly and enthusiastically endorsed this initiative, but some have even argued that the name of this state strategy – Internet Plus – was actually adopted from a 2013 speech given by Tencent’s CEO Pony Ma (Xu, Li, & Liang, 2015).

To this end, it is probably critical to ask: if Internet Plus has indeed become the top policy priority under the current leadership, Internet Plus for whom, and at what cost? On the one hand, as scholars have argued, despite lofty promises of “inclusive finance,” the growing influence of digital platforms in the critical area of internet finance and the lack of appropriate regulatory mechanisms, might result in “inflationary pressure” and “a trend toward excessive financialization” in China (Wang, 2017). On the other hand, when a handful of private digital platforms have increasingly assumed the role of basic infrastructures of the Chinese society and have indeed become the sole intermediaries between users and their daily activities – from paying utilities, riding bikes, chatting with friends, to ordering food – who will govern these infrastructuralized platforms when their primary objective is to make profits? The case study of Ant Financial therefore offers us crucial insight into the much-contested side of the double articulation of “platformization” and “infrastructuralization” in China and the great policy implications in the era of Internet Plus.

If Internet Plus has indeed become the top policy priority under the current leadership, Internet Plus for whom, and at what cost?

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