Artificial intelligence-enabled digital platforms collect and process data from and about users. These companies are largely self-regulating in Western countries. How do economic theories explain the rise of a very few dominant platforms? Mansell and Steinmueller compare and contrast neoclassical, institutional and critical political economy explanations. They show how these perspectives can lead to contrasting claims about platform benefits and harms. Uneven power relationships between platform operators and their users are treated differently in these economic traditions. Sometimes leading to advocacy for regulation or for public provision of digital services. Sometimes indicating restraint and precaution. The authors challenge the reader to think beyond the inevitability of platform dominance to create new visions of how platforms might operate in the future.

‘This Advanced Introduction provides a much-needed analysis of digital platforms and their major influence on society. What makes Mansell and Steinmueller’s book stand out is that it looks at platforms not only through the lens of neo-classical economics, but also of institutional economics and critical political economy, comprehensively demonstrating how these theories differ in their assessment of both consequences of platforms and the need for regulation and non-commercial alternatives.’
– Manuel Puppis, University of Fribourg, Switzerland.

‘This is a timely and useful overview of the multifaceted roles of digital platforms by two leading experts in the field. The book presents an insightful discussion of three different economic perspectives on the benefits and dangers of digital platforms. It also addresses the most critical issues concerning users, policy makers, platform operators and society as a whole, identifying reforms that may be necessary. Highly recommended for an understanding of the challenges ahead.’
– Franco Malerba, Bocconi University, Italy

‘Digital platforms are the dominant new business model of the digital economy. With Advanced Introduction to Platform Economics, Mansell and Steinmueller have written a wonderfully accessible and insightful treatise which will be extremely valuable to all students who want to understand digital platforms’ economic mechanisms and their social consequences.’
– Annabelle Gawer, University of Surrey, UK

‘Robin Mansell and Edward Steinmueller fill a gap in current scientific work on platform economics and policies. Besides providing a holistic perspective on what platforms are, how they perform economically, and what impact they have on users and society, their critical political economy approach makes it clear that platform strategies and practices are a reflection of power asymmetries in society. Their plea for government intervention, that goes beyond competition law and is based on values and norms regarding what can be exploited commercially and what should be considered collective, is an ambitious but indispensable claim for further scholarly work and policy development in this area.’
– Karen Donders, Vrije Universiteit Brussel, Belgium
Mansell and Steinmueller are two of the most perceptive analysts of the digital world. They take us to the central business institutions of the digital economy, the giant online platforms. The book is compact in length but wide in scope and deep in understanding. The authors effortlessly weave together the tech and business elements that make them radical innovators for the way economic value is generated but public values are challenged. Using three major traditions of economic analysis, they explore alternatives to the data-driven, advertiser-supported model. This book is a significant contribution to our thinking about the digital future.

– Eli Noam, Columbia Business School, US

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