

## *Book review*

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### **SRNICEK NICK, PLATFORM CAPITALISM, POLITY PRESS, 2017, PP. 171**

Platform Capitalism is a significant book, published in Italian in 2019 with the name "Capitalismo Digitale", that provides an important overview of how the contemporary economy works. Although several years have passed since its publication, this contribution remains relevant for understanding the mechanisms of platforms. With his book, Nick Srnicek offers a different perspective on the study of digital capitalism. He emphasises the importance of focusing on the economic rationales that characterise this form of capital accumulation. He does this by looking at the emergence of digital platforms from a historical perspective. The book emphasises that the rise of the platform economy has not occurred in a vacuum but as a consequence of the development of capitalism. Understanding these historical conditions is crucial for analysing current platforms and imagining their future. For this reason, the author divides the book into three chapters: "The Long Downturn," which focuses on the historical conditions that led to the emergence of platforms; "Platform Capitalism," which explains what platforms are, how they work, and how they differ from each other; and "The Great Platform War," which analyses both the trends and challenges facing platforms and makes predictions about their future. Srnicek focuses on the importance of data in the current accumulation phase. To dominate the market, digital companies need to have and control data. In the past, data was only partially extracted from the production process, but today digital platforms can extract and control vast amounts of data. The author's book sees data as the raw material of platform capitalism. The accumulation of data is what enables the digital economy to be a hegemonic model today. Data is important for understanding consumer demand and targeting advertising in that direction, for training algorithms that help automate some advanced tasks, for

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refining the production process, for monitoring workers, and for improving the quality of the supply of goods and services. Currently, platforms represent the online interconnected space of the global population, used by individuals for economic and social reasons. People book tourist accommodation on Airbnb, use Uber or Bolt to navigate urban spaces, buy consumer goods on Amazon, and engage in social relations and communication on Facebook, WhatsApp and Instagram. Platforms permeate many aspects of human life and play a crucial role as intermediaries. They allow the registration of the user's activity, which is transformed into data in a very simple way. The book explains that platforms are the digital infrastructures that allow two groups to interact. In practice, the platform does not create new economic activity, but new channels of interconnection. The second aspect of the book is that platforms create network effects. The more users a platform has, the greater its visibility, the more data it collects and the more power it has over its competitors. The third element that characterises platforms, according to the author, is that they act as mediators, imposing the rules of the game that platform users must abide by, in a sense embodying a political form. Srnicek thus reflects on the tendency of platforms to acquire monopoly positions through data control and network effects. These monopolies generate inequalities and the solution, according to the author, could be to collectivize the platforms and take back the means of information, which are now much more important than the means of production. This text, written at a time when platform capitalism was on the rise, is crucial, both in the past and today, for understanding the logic that guides the development of this system, in which the profitability of digital companies is closely linked to their control over data. The fact that an increasing number of activities are being carried out virtually plays an even more decisive role in the growth of this model. It is therefore necessary to reflect on the role that the pandemic has played in the expansion of these platforms in recent years. The spread of COVID-19 has resulted in a significant proportion of the population experiencing long periods of semi-isolation. This has led to an increase in the use of platforms for e-commerce, the delivery of food and goods, and the consolidation of forms of remote work. The growth of online activities has allowed greater accumulation of data and consolidation of digital consumption practices. In this context, for example, Amazon and its logistics and e-commerce activities have gained a monopolistic position in the market. The book is a good starting point from which different strands of research have emerged on some issues that the author has not sufficiently explored. The first is represented by studies of the algorithmic control of platform workers and their attempts at resistance, especially in the gig economy, such as food delivery platforms. The second is represented by the role of the state in regulating platforms, either by liberalising or restricting them, and how they now play a key role in the transnational governance of these processes, especially thanks to the amount of data they hold in relevant sectors. The third is the increasingly important role of large digital companies in the development of artificial intelligence. If six years ago, when the book was written, competition was mainly based on the control of data, today monopoly positions in the market depend on research into artificial intelligence technologies that enable more efficient data mining and processing, market demand forecasting, workforce monitoring and the efficiency of production systems and their automation.