

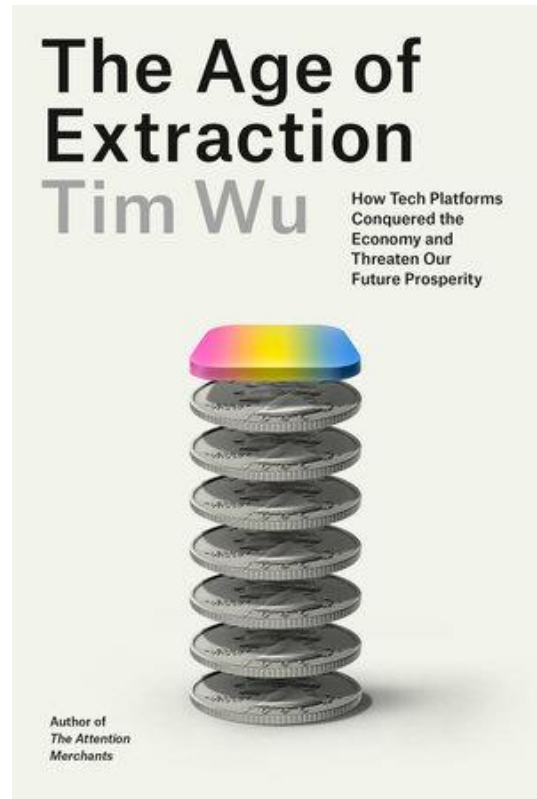
Tim Wu, **The Age of Extraction: How Tech Platforms Conquered the Economy and Threaten Our Future Prosperity**, New York, NY: Penguin Random House, 2025, 224 pp., \$30.00 (hardcover).

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Tim Wu's *The Age of Extraction: How Tech Platforms Conquered the Economy and Threaten Our Future Prosperity* provides a comprehensive analysis of how platforms strategically dominate markets and extract value while examining the societal and economic implications of platform power as well as potential coping mechanisms. Written by distinguished legal scholar Tim Wu, who first coined the term "net neutrality" (Wu, 2003) and has focused on the power of big tech platforms along with his specialty in American antitrust, this book consists of 16 chapters, categorized into four parts: (1) platform economics, mainly how platforms emerge, survive, and decline grounded in historical examples, relatedly; (2) values delivered by platforms to users, resulting in some sort of dependence leading to potential platform monopoly; (3) risks from power over-centralization and rebalancing mechanisms; and (4) structural components for equality.

The first part, "Understanding Platform Power," consists of six chapters that collectively examine how platforms gain, exercise, or lose power, reshaping both market and social structures. Chapter 1 first draws on the analogy of platform to the ancient Greek "agora" or the ancient Chinese "market-town," which facilitates various activities (e.g., transactions). Then, Wu suggests four core challenges addressed by thriving platforms: matching, information and trust, enabling small businesses to operate, and the promotion of innovation. Building on this foundation, chapters 2–5 show how platforms that initially create value through so-called platformization increasingly consolidate power and enter an "extraction" phase through buying rivals and squeezing the dependents. Using examples such as IBM, AT&T, and Amazon, Wu illustrates how platforms come to serve their own interests through strategies such as the weaponization of scaling, often through buyouts. These developments culminate in chapter 6, where Wu describes the current information economy as "a new form of feudalism" (p. 68), quoting Jaron Lanier. Even influencers, who appear to be the ruling class within platform ecosystems, are referred to as "a laboring class" constantly running on the "digital treadmill" (p. 69).

Four chapters are woven into part 2, "The Business of Herding," focusing on the capture and centralization of platform power leading to extraction. Chapter 7 explains the platforms' strategies to seek "loyalty and attention," making switching platforms unthinkable. Chapter 8 addresses platforms' predictive



power with Big Data over human behavior. However, Wu argues that “the propaganda power of the platforms is a familiar one” (p. 87), like radio and television, the persuasion of which relies not on data but on capturing attention. Chapter 9 broadens the discussion to artificial intelligence (AI), exploring whether AI will reinforce the established platforms or platform monopoly, possibly through emotional reliance, or challenge the current dynamics. Chapter 10 introduces how platformization in healthcare (highly fragmented and personal) and housing (coupled with housing crash) sectors, particularly in the U.S. context, preys on both sides of the platforms after gaining market power, ultimately benefiting platform owners.

The third part, “The Dangers of Centralized Economic Power,” has five chapters. Chapter 11 illustrates the catastrophic outcomes of economic and political imbalances, which Wu describes as “the real road to serfdom” (p. 122). The chapter outlines this sequence through five stages: monopolization, extraction (i.e., “two-class economy”), emergence of mass resentment, democratic failure (e.g., corruption), and the rise of the strongman (e.g., authoritarian dictators). Building on this diagnosis, chapters 12–14 analyze potential solutions to rebalance economic power: land reform practices and institutional tools such as anti-monopoly laws and unions (chapter 12); theoretical frameworks including self-correcting markets, John Kenneth Galbraith’s theory of “countervailing power” (p. 137), and the Kuznets curve (chapter 13); and technological alternatives such as AI and cryptocurrency (chapter 14). While each offers some promise, Wu ultimately finds them inadequate to fully address economic inequality on their own. In chapter 15, Wu argues that redistribution alone, from the wealthy upper class to the underclass, is not sufficient; it should be accompanied by structural measures to distribute economic power.

The book ends with “An Architecture of Equality.” Chapter 16 considers five approaches to manage and balance platform power. Starting with anti-monopoly, Wu points out that claims of “natural monopoly” in the tech platform world can be dangerous and premature, suggesting the comeback of anti-monopoly over the 2020s. Neutrality rules prohibiting discrimination can be another way to deter platforms’ economic extraction. Countervailing power is also suggested as a mechanism through which individuals owning valuable information or workers may have bargaining power over tech platforms, though with limitations. Additionally, building alternatives, placing a hard cap on platforms, and separation of businesses are necessary to assure a “broader prosperity.”

One of the most compelling aspects of Wu’s book is that, while it closely examined the dangers of platform monopoly power and its extractive tendencies, it never lapsed into pessimism. To explain and explore platform power, tools of checking power, and the possibility of rebalancing, he did not hesitate to draw on cases from the past and present, across a wide range of fields, times, and places. What is particularly striking is that extraction does not occur only in well-known examples such as dictatorships or feudal economies. Rather, “the extraction stage can take subtle forms, especially in developed countries” (p. 123), for example, through “a patented drug, nursing homes, or the surprise pricing of medical services” (p. 123). In this sense, Wu invites readers to consider more deeply the layered and often less visible dimensions of extraction that big tech platforms may shape our current and future economy.

In his book, Wu offers a clear vision of what he considers “great societies”:

they are the societies that managed to deliver on a promise of opportunity and prosperity for long stretches of time. They delivered by creating significant work and property ownership for much of their populations and, above all, providing enough economic security and leisure so that life might be enjoyed rather than merely endured. (p. 134)

The concept of “prosperity” in the book title might be the one-word summary of this vision. The definition seems to reflect the kind of society Wu ultimately envisions, even when he acknowledged the limits of the roles of theoretical frameworks, technology, and redistribution to restrain platform monopoly and extraction.

Notably, Wu laid out an array of challenges posed by platform power; however, it remains less clear how, practically, individuals are meant to navigate them. In some respects, enhanced understanding and awareness of structural extraction may even generate new forms of uncertainty: If even seemingly privileged individuals such as influencers or doctors can be understood as a laboring class within platform systems, then the class position of regular users becomes even more ambiguous. Considering network effects, users simultaneously and oftentimes unintentionally depend on platforms and contribute to the reinforcement of their power. Yet their role as stakeholders, and the extent of their agency, received comparatively limited attention within the book. In addition, although Wu incorporated examples beyond the U.S., the analyses remained largely U.S.-based. Given the global reach of American tech platforms, a comparative or country-specific analysis could further illustrate how international efforts to regulate digital platforms aim to correct power imbalances, with success differing in effectiveness (Flew, 2021; Popiel, 2022).

Therefore, the book’s most enduring contribution lies not only in its detailed analyses of how platforms capture, consolidate, and exploit power, or in its exploration of mechanisms aimed at rebalancing the economy, but also in its potential to frame platform power as a structural condition that demands continuous attention from the public, scholars, and practitioners alike. This book is highly recommended for anyone seeking to understand the architecture of power in the digital age. Despite being written by a legal scholar, it is by no means narrowly law-centric, and despite the concept of extraction in the title, it is far from a dystopian manifesto. The book offers a rigorous but accessible way to think through the ongoing challenge of achieving a balanced society in the face of concentrated power.

References

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