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# Urban platforms as a mode of governance

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#### **Abstract**

This article provides an analysis of urban platform governance by mapping out the major forms of public governance and depicting the role of platforms in this field. By fusing theoretical analyses and empirical views from three urban platforms set up by the largest cities in Finland, we assess the relevance of platforms as an emerging form of local public governance. It is plausible to view platforms as hybrids that incorporate features of both networks and markets, and, to some extent, even hierarchies. However, platforms also have some irreducible features, which makes it possible to perceive them as a fourth mode of governance. Platform logic broadens the view of network governance to a broader set of connections, the orchestration of multiple logics and ecosystem thinking.

#### Points for practitioners

Today, city governments create and maintain urban platforms to bring together different actors and enable value-added collaboration in service provision, governance and planning. This article helps local policymakers and managers understand platform logic in involving various audiences in the creation of public value. When governing platforms, local public managers may use many of the same methods as with networks. Platform governance, however, extends the view to a broader set of connections, the orchestration of multiple logics and ecosystem thinking.

#### **Keywords**

city, market, network, New Public Governance, platform, platform governance, urban governance

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#### Introduction

Technological development and new forms of social organization are transforming our way of living, working and interacting. Algorithmic revolution, ecosystem thinking, platformization and sharing are manifestations of this trend, with pervasive impacts on late-modern societies.

These new ideas and practices challenge the current forms of public governance, and modify the role of local public authorities. Bollier (2016), for example, predicts that the vitality of cities will be increasingly based on their ability to utilize platforms, which are likely to be vital for the renewal of the practices of urban governance.

Platforms have been studied in various disciplines, most notably, in the context of technology and business (Andersson Schwarz, 2017; Moazed, 2016). It is only recently that platforms started to receive attention in public sector research (Ansell and Gash 2018; Ansell and Miura 2020; Janssen and Estevez, 2013; Thornton, 2016), and often in connection with the smart city discourse (e.g. Ojasalo and Kauppinen, 2016; Yu et al., 2019). Our discussion bears particularly close resemblance with that of Ansell and Gash (2018), who use the term 'collaborative platform' and examine the operational logic of platforms in the context of public administration and governance. Yet, our approach is different because we examine platforms as instances of local public governance and focus particularly on how their distinctive features resonate with prior theorization about the basic modes of governance.

Urban platforms are localized arrangements related to urban development, local public services, innovation and/or citizen participation. They integrate actors within and across city systems, and enhance interaction between them, with the help of modern technologies. They are often initiated, governed or sponsored by public sector organizations, most notably, by city governments (Hodson et al., 2021).

Urban platforms have been treated either as an organizational practice in which the city utilizes different platforms, or as a framework in which the city itself is seen as a platform (Bollier, 2016; O'Reilly, 2011; Tukiainen et al., 2015). Nevertheless, it seems that the research on the topic is still in its infancy and the concept of platform is unsettled in public administration and governance (Ansell and Gash, 2018: 17). In particular, this concerns the role of local authorities as platform owners. How are they supposed to convene, coordinate or administer platforms? Additionally, how should we conceive the role of platforms in urban governance?

In this article, we aim to build a picture of urban platforms as a new mode of local public governance. The research question is: what characterizes platforms as a mode of governance and how do they relate to the three basic modes of governance, that is, hierarchy, market and network?

Our approach is explorative, and we combine theoretical analyses and three illustrative cases. Methodologically, we rely on formal reasoning and a review of key literature (see Jasso, 1988). We will focus on the main features of urban

platforms and try to isolate their distinctive governance logics by assessing their similarities and differences with the three principal modes of governance, particularly network theory and the New Public Governance.

As examples of the early forms of urban platforms, we will discuss three illustrative Finnish urban platforms. Insights drawn from these cases are assessed against research on the modes of public governance, and then synthesized in a theoretical analysis of platforms and their distinctive governance logics.

# From hierarchies to networks and hybrid modes of urban governance

In many developed countries, the evolution of public administration and governance has taken place through three broadly defined consecutive phases: from traditional public administration, via New Public Management, to New Public Governance (Osborne, 2006, 2010). One of the most important distinguishing factors between these three is their principal tool of coordination, which can be called 'mode of governance'. Traditional public administration relied almost entirely on hierarchies, and New Public Management focused its attention primarily on markets, whereas New Public Governance has stressed the importance of self-directing policy and governance networks.

The idea that markets, hierarchies and networks form the basic alternative governing tools is widely accepted in the literature on public administration and governance (Thompson et al., 1991). *Hierarchy as a mode of governance* means that decision-making authority is concentrated and the organization or agent standing at the top of the decision-making structure and process has a one-way relationship with all the other actors. This agent is an actor who can make others do something, having power (as an employer, by public law, as a financier, etc.) and the right to directly resolve conflicts that may arise (Stacey, 1991: 223; Weber, 1947).

While hierarchical forms of governance bring parties to exchange under the direct control of a third party, the *market mode of governance* relies on prices, competition and contracts as means of regulating relationships between actors (Williamson, 1975). Application of the market mode in public governance has had implications both inside public organizations (separation of purchasers and producers) and in external relationships, where 'the New Public Management toolbox' has meant more intensive customer orientation and customer choice, and increasing use of the private sector as a producer of goods and services.

*Networks* can be defined as loosely coupled flexible structures of value-adding activities (e.g. Alter and Hage, 1993; Nohria and Eccles, 1993). The actors are brought together by resource interdependence, which, together with trust and reciprocity, is the underlying rationale for collective action and the pursuing of common goals. As a mode of governance, networks are characterized by dynamism, a flat form, informality and flexibility (Powell, 1990).

Although the three modes of governance are often presented as a kind of consecutive chain, where one is followed by another – essentially more developed – instance, it is worth noting that every mode has its strengths and weaknesses. Networks, for example, have distinguishable problems in the field of public governance, ranging from accountability issues to challenges in achieving consensus in decision-making (Haveri, 2006; Klijn, 2008).

In practice, different modes of governance will invariably coexist and interact rather than replace each other (Osborne, 2010: 414), and they likewise coexist in contemporary cities. City governments use markets to increase efficiency in service provision; they apply networks for the purpose of pooling resources, especially in local development processes; and the backbone of representative democracy is a hierarchical system with the local council on the top of the pyramid. The borders between these three ideal modes have been blurred, as they are applied simultaneously in a hybrid setting where hierarchies, markets and networks are continually being configured and reconfigured (Keast et al., 2006).

Networks play a key role in the New Public Governance, which can be seen as the leading paradigm of contemporary public service delivery. In his book *The New Public Governance*, which laid the foundation for the study of the paradigm shift, Stephen J. Osborne (2010) wrote that New Public Governance encompasses policymaking and the network approach with intra- and interorganizational issues. Multiple interdependent actors contribute to the delivery of public services and multiple processes inform the policymaking system (Osborne, 2010).

Platforms bring new elements to the field of public governance. *The platform model* emphasizes the collection and co-development of actors' outputs, transparency of information, user orientation, and the role of the platform's own facilitation and integration tasks to achieve the desired effects (Anttiroiko, 2016; Bollier, 2016). The task of the city is not to do everything itself, such as providing services in-house or favouring regime politics, but to create conditions for the activities of citizens, markets, companies and the third sector (Thornton, 2016). City government still needs to facilitate and orchestrate collective action, provide tools and ensure public value (Millard, 2018).

# Real-life cases of urban platforms

The concept of platform has close connection with a range of other concepts, such as site, place, marketplace, forum, living lab, gathering and network, which calls for sharper understanding of its *differentia specifica*. A logical step towards more nuanced understanding of the role of platforms in urban governance is to inductively seek common denominators from different kinds of real-life urban platforms. Even if the platform logic is in its infancy in the urban public realm, learning from the early platform formations seems to be a plausible step towards better theorization of urban platforms.

As cities vary regarding their conditions and governing capacities, they have different strategies for inviting, utilizing or regulating activities associated with the

platform logic. Most notably, there are considerable territorial varieties in approaching platformization, as well as sharing and designing related policies to address its threats and opportunities (Anttiroiko, 2016; Falco and Kleinhans, 2018; Salice and Pais, 2017). There is another dimension to be addressed when discussing urban platforms. In particular, critical underlying factors of such formations include urban density, which increases the critical mass of relevant players, and local embeddedness, which implies that the resources, actors and expected outcomes of platforms have an inherent relationship with a particular locality. We pay attention especially to the latter, as it determines how platformization is received, articulated and shaped by a particular city government and relevant urban community stakeholders.

## Illustrative platform case selection

Our theoretical discussion of platforms as a mode of urban governance requires *a posteriori* evaluation to guarantee that it is in line with the features of early real-life examples of urban platforms. It allows not only the validation of the points made on theoretical grounds, but also the elaboration of our discussion and the use of a kind of qualitative heuristic to sharpen our view of urban platforms as a mode of governance.

In order to make sure that selected examples of urban platforms serve such a purpose, we have evaluated the most advanced urban platform cases included in the Six City Strategy of Finland (see: https://6aika.fi/; see also https://citybusiness. fi/en/). We then classified them according to their local embeddedness, and ended up with three illustrative examples: Koklaamo – a co-creation platform that involves local inhabitants and aims at providing specific solutions to a particular district in the city of Tampere; Demola - a transnational innovation platform originally established in Tampere that matches students' innovation potential with the needs of local businesses; and, lastly, Helsinki Region Infoshare (HRI) - the data platform case, with its free-to-use region-wide open data catalogue, set up by the cities of the Helsinki metropolitan area. Description of each case is based on publicly available Six City Strategy databases, online materials published by local governments and platforms, and previously published case descriptions. They are briefly described next, following which there is a discussion in which the features of these cases are utilized in fine-tuning our insights into platform governance.

# Koklaamo – local business-community co-creation platform

Tampere is a post-industrial middle-sized Finnish city located in the central part of Finland. It collaborates with six other large cities within the Six City Strategy, in which platforms have a key role to play. This also explains why Tampere's current aspirations in economic renewal are built on the same three key elements that

frame the work of the Six City Strategy: open innovation platforms, open data and interfaces, and open participation.

Tampere aims at scaling up these three elements to create service innovations, new jobs and companies through practice-oriented pilots and experiments. One of the focal areas in the scaling-up activities is the promotion of citizen participation in the Tesoma district in Tampere. It represents an innovation-driven urban renewal, including an urban district-focused innovation platform, Oma Tesoma ('My Tesoma'), set up in 2013. Tesoma is a suburb of Tampere with some 20,000 inhabitants. It is the first district-wide case of the ecosystem-oriented urban development strategy of the city of Tampere, with an idea of integrating innovation platform activities into urban development policies and projects (see: http://omatesoma.fi/). The platform thinking is well expressed in the idea of bringing companies, residents and local communities to the same platform in order to create service innovations, business opportunities and an attractive living environment.

A particular platform formation within Oma Tesoma is the urban innovation platform known as Koklaamo (the Finnish project name refers to a kind of trial space), which demonstrates platforms' underlying *spatial* dimension and an idea of bringing developers, service providers and users into a special facilitated space. It was set up within the Open Innovation Platform focal area of the Six City Strategy with the purpose of involving citizens in innovation-driven business development. Koklaamo was an open innovation and experimentation platform for user-centred and agile co-creation, with two primary functions: (1) to create business opportunities for local small and medium-sized enterprises (SMEs); and (2) to encourage the community members to take a new role in and responsibility for improving the vitality of the suburban residential area. Thus, the idea was to create business opportunities by meeting the expressed needs of local inhabitants.

The Koklaamo process was designed during the inception phase of the project. It was organized around four consecutive phases: (1) identifying inhabitants' challenges, problems and needs; (2) co-creating feasible solutions; (3) testing the most feasible solution in a real urban environment; and (4) undertaking evaluation and follow-up actions. Its first two pilot projects in the Tesoma district took place in the autumn of 2016, one of these focusing on new exercise solutions for parents, including three private companies, and the other on traffic safety, in which four private companies were involved. The second round of development activities was organized in 2017. It developed a new community cafeteria concept as part of a local well-being centre. A third round in 2018 sought new solutions to the challenges of housing. Both the Oma Tesoma and Koklaamo projects were terminated in 2018. Their work continued in various ways, revolving largely around the Tesoma Wellbeing Centre established in 2018 (see: https://omatesoma.net/). Since the launch of Koklaamo, similar urban experimentation platforms have gradually emerged in other Finnish cities as well (Anttiroiko, 2016).

# Demola - student-involving innovation platform

The promotion of innovation has been for decades at the heart of the development policy of the city of Tampere. One of the expressions of such an endeavour is the creation of New Factory, an innovation platform and start-up incubator, which saw the light of day in 2009. Among its most dynamic parts are its platforms, of which the student-engaging Demola is probably the most well known. It was established already in 2008 as one of the projects supported by the Creative Tampere programme (2006–2011) and was later taken under the wings of New Factory. Demola developed from fruitful soil, for in the city of Tampere, there are some 35,000 students who form a vast latent potential for urban innovation and economic development.

The projects organized in Demola fall into a wide range of thematic categories, including business concepts, software, design and art, education, engineering, environment, governance, healthcare, media and communications, and social science. What university students do in Demola is essentially to create demos or prototypes of novel ideas and services or products in response to problems brought to the platform by local companies or other organizations. University students form ad hoc teams to create innovative solutions to such real-life problems. Students are recruited for Demola on the basis of their own motivation and areas of interest. They can apply for available projects a few times during the academic year. Through participation, they earn credits for their degrees and occasionally also receive monetary remuneration, depending on the value and potential of the results of their work. In this sense, Demola serves as a facilitated structure that matches organizations' need for fresh ideas with students' innovation capacity on an ad hoc basis.

During its short life, Demola served as a platform that involved more than 150 partner companies with their needs for new concepts and solutions. On the other side of the equation, it gathered some 2000 students – some 35–40% of them international students – working in teams for projects, of which about 350 were completed by the mid-2010s. It is noteworthy that students' teams own the results of their work, which, in many cases, are licensed to the commissioning organizations (on Demola, see: https://www.demola.net/). Demola has also transnationalized its operations by creating an international network.

# HRI - empowering open data platform

Citizen involvement in innovation-driven business is becoming prevalent in innovative cities throughout the developed world. One of the pioneers in this area is Helsinki, which, together with its neighbouring cities Espoo, Vantaa and Kauniainen, has promoted the utilization of open data for years. A flagship project in this respect is HRI, set up in 2011.

HRI is based on data that are usually confined to the internal use of city governments. This practice was abolished by cities in the Helsinki metropolitan

area by publishing publicly available data for the free use of all. Such open data not only provide citizens with access to information about their cities and region, but also facilitate local activism, help generate new services and provide business opportunities. The value of open data increases as a function of its increased use.

In a nutshell, HRI is a web service that makes urban-regional information easily accessible to all. HRI publishes mainly statistical data, a large part of it geographic information system (GIS)-based, giving a comprehensive and diverse outlook on such areas of everyday life as living conditions, economy, well-being, employment and transport. These data can be used by citizens, businesses, universities, academies, research facilities and, of course, municipal administrations. The data on offer are ready to be used freely at no cost to users, which makes it a genuinely open public data set. It is important to notice that the HRI website not only provides data sets, but also categorizes information, welcomes data requests, presents showcases, provides news and analytics, and offers support to users (on HRI in English, see: https://hri.fi/en\_gb/).

The result is more than 640 public data sets opened for unrestricted use. The HRI website presents some 230 applications and other showcases created by public agencies, small companies and enthusiasts. Apps cover practically anything relating to urban life, such as, among others: the tracking of the nearest public bicycle; the location of cross-country skiing tracks on the map; attractions near main boat routes; a FlexiSpace service to identify underutilized premises in the city; the Espoo street portal that provides information on construction, planning and traffic in the city; the WeChat app for Helsinki; a visualization of parking data for Helsinki; the Helsinki traffic forecast; and the most beautiful sites in Helsinki on the map.

#### Remarks on cases

What characterizes the three aforementioned urban platforms is that they all are mission-driven, locally embedded and well facilitated. The stakeholder involvement is based on the willingness of a fairly large group out of the larger population to contribute to the activities performed by each platform. These urban platforms facilitate locally embedded exchanges, sharing, interaction and utilization, while, at the same time, showing potential for scaling up. These cases illustrate how local rootedness and the nature of the issues addressed by the platform affect its scaling up and a potential for disruptive innovations. Let us take a closer look at how such features are manifested in our three cases.

Koklaamo is essentially a local platform that seeks solutions to locally perceived challenges or problems. It attracts small groups of active inhabitants of a residential area, which implies a modest role in terms of audience building, as well as a rather limited chance for scaling up. Its added value lies in matching the specific needs of inhabitants of a residential area with potential solution providers in facilitated multi-phased processes. Koklaamo is, in essence, a co-creation platform,

which can be seen as a paradigmatic form of a small-scale platform with strong local embeddedness.

Demola, in turn, collects a wider spectrum of problems from organizations, which are addressed by a group of voluntary students. Both matchmaking and professional facilitation play a major role in this kind of platform. While any organization can be an initiator, the solution providers are selected from a large group of local students. The results of such a process may scale up through the organizations and students involved. Demola is a special form of a facilitated collaborative innovation platform that serves both matchmaking and cocreation, with varying degrees of local embeddedness. There are a lot of similar kinds of innovation platforms in Finnish cities (Anttiroiko, 2016).

Theoretically, HRI has the highest potential for disruptive innovations, for even if the data are local, the number of involved small firms and enthusiasts is large, and there are no particular hindrances in scaling up or commercializing successful applications. The platform offers primarily data and other resources, while the rest depends solely on its users or audiences. While HRI may not be as common as the local platform formation of the other two, it is a public sector platform that has the closest resemblance with the platform logic that characterizes the platform economy (see, e.g., Moazed, 2016). While it offers local data, their utilization is free and they are available globally for any enthusiast, developer or company. In this sense, it can be seen as an enabling data platform.

These three platforms are illustrated in Figure 1. These three platforms involve actors on an ad hoc basis within a structure that has a mission or function determined by the platform owner. They seem to promote both inclusion and innovativeness at the same time, which increase their appeal as governance mechanisms. Another characteristic feature of them is facilitation, which seems to vary from active human guidance and mediation, to data or other resource management

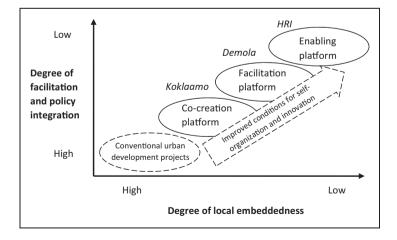


Figure 1. Three types of urban platforms.

systems built on platforms. They show a wide range of options in terms of the content, scope, coordination and integration of actions, which is an indication of their adaptability and ability to serve various phases and functions of public governance. While the scope of Koklaamo is the most narrow and its integration with local public policies the most tight, Demola clearly has a wider latitude, not to speak of HRI as the least locally embedded in terms of the use of the data provided by the platform. These three cases tentatively show the key features of real-life urban platforms, alluding to their wider potential for advancing urban governance.

# Differentia specifica of urban platforms in public governance

The platform governance hypothesized here has many features that connects it to the three basic forms of governance (see Table 1). The question is: how are platforms located in the field of governance arrangements?

In fact, a plausible way of conceptualizing platform governance is to see it as a hybrid in the sense that: its rules and the platform creator's internal governance are based on hierarchy; its open-access orientation and gathering of large masses of users together through matchmaking functions take it close to the market mechanism; and the connections between the platform creator, producers and the wider ecosystem resemble a network logic. Regarding basic forms of governance, it even looks as if platforms could be characterized as market-like networks or network-like markets. Yet, the integrating socio-technical locus in its entirety is a platform with a distinct function. It is manifested in facilitated collaborative space with capacity to deal with audience building, matchmaking and other forms of distributed social action, as well as to create connections with the wider business, service and innovation ecosystems (Ansell and Gash, 2018).

# Platforms as hierarchies

Despite the fact that, as a mode of governance, hierarchies play a minor role in platform management, every urban platform has certain rules and practices, which are usually based on the authority of the platform administrator or founder. In the public domain, hierarchical aspects intertwine with the requirements of good governance and democracy. For example, Grech (2015) emphasizes the role of city officials in ensuring that the platform is publicly accountable. Similarly, van Doorn (2017) considers it important that public authorities use their authority to secure the transparency and democracy of platforms.

# Platforms as markets

While platforms can be seen in the evolution of the modes of governance as a continuation from network formations, previous theorization shows that the platform logic has an equally important connection with markets. The involvement of randomly formed large audiences and the facilitation of their exchanges resemble the market mechanism. Even if it is plausible to assume that the platforms' key

Table 1. Basic modes of governance versus platform governance.

	Hierarchies	Markets	Networks	Platforms
Typical territorial formation	Public bureau	Service markets of a region	Regional develop- ment network	Local innovation platform
The raison d'etre of actorship and involvement	Authority, jurisdiction, status as an employer	Rational choices, self-interest	Resource dependency, shared interest	Opportunity seeking, match- making, audience building
Key mechanism in coordi- nation of activities	Rules and instructions	Price mechanism, competition and	Reciprocity	Creating and facilitating connections
Paradigmatic relation between actors	Centralized control and responsibility	Transaction	Resource pooling	Sharing, co-development and empowerment in real, digital or hybrid space
Primary mechanisms of public value creation	Bureaucracy com- petence, commands	Competition	Loyalty, shared interests	Orchestration of data and other resources, and facilitation of collaboration and transactions
Degree of openness and scalability	Closed, no scalability	Open, reasonably fast scalability	Relatively open, slow scalability	Open, fast extra-local scalability
Conflict resolution mechanism	Authority	Legal action	Diplomacy	Platform rules

coordination function operates via a mix of mechanisms (including constitutive rules, the prize mechanism and reciprocity), the most successful ones utilize the market logic in building audiences, profiting from connections and scaling up.

In terms of coordination, markets are based on price systems and it works 'automatically', so to speak (Thompson, 2003: 38). The quest for self-interest through individually motivated and opportunity-seeking behaviours guarantees the balance of the system. As a spontaneously operating mechanism, coordination by markets differs from hierarchies and networks, which represent consciously constructed and established attempts to generate a system of coordination. It is noteworthy that many platforms result in a dynamic interaction that follows a market-like logic within the setting and rules of the given platform. Describing platforms as *bazaars* (Raymond 1999) is not a bad metaphor from this point of view.

### Platforms as networks

New Public Governance is a process embedded in governance networks. Klijn and Koppenjan (2016: 11) define governance networks as 'more or less stable patterns of social relations between mutually dependent actors, which cluster around a policy problem, a policy program, and/or a set of resources and which emerge, are sustained, and are changed through a series of interactions'.

Urban platforms have many of the characteristics of governance networks. Platforms cluster around a set of resources, which emerge, are sustained and are changed through a series of interactions. Despite their high degree of autonomy and market-like coordination mechanism, they also orchestrate resources and facilitate transactions – which comes near to network management – in order to deal with the different values, operational logics and preferences that are inherent in urban platforms. Active coordination is particularly needed in the inception phase of platform formation and when severe conflicts emerge between the actors of the ecosystem. In addition to negotiation, diplomacy and persuasion, which are network management tools, conflict resolution occasionally requires reliance on platform rules and other hierarchical approaches.

In their paradigmatic form, networks are created by a few actors that contact each other due to their perceived need to complement each other's competencies or resources, thereby gaining advantages through such collaboration. This kind of network formation is close to what Himmelman (1996) calls 'organizational collaboration', that is, a process in which organizations exchange information, alter activities, share resources and enhance each other's capacity for mutual benefit and a common purpose by sharing risks, responsibilities and rewards.

# Platforms as a fourth mode of governance

While platforms have many similar features with other modes of governance and particularly networks, there are also differences in their establishment and operational logic, as shown in Table 1. When it comes to *the raison d'etre of actorship* 

and involvement, actors do not usually enter into platforms because of resource dependencies or shared interests as they do with networks – though network-like formations may emerge later on while platforms progress; rather, it is opportunity seeking, matchmaking and audience building that engages the attention of newcomers. HRI is a good example of a platform where platform users do not know other users or have shared visions when entering into the platform; rather, they seek opportunities. Later on, after matchmaking, mutual dependencies may grow and occasionally result in the development of shared goals.

When looking at the *paradigmatic relations between actors*, one characteristic feature can be traced to platforms' underlying *spatial* dimension, or the fundamental idea of bringing application developers, service providers and content creators, as well as users, to a special facilitated real, hybrid or digital space (see Tuulos and Hämäläinen, 2017). Even if the degree of localness varies among platforms, as illustrated by our real-life cases, such local embeddedness implies that the spatial aspect has a special role in urban platforms, which differentiates them from the conceptualization of space as a locus of power (hierarchy), marketplace (market) or resource-pooling node (network).

The primary mechanism of public value creation is the provision and orchestration of data and other resources, which enables residents and companies to act on a voluntary basis, utilize their skills and co-produce public goods. Janowski et al. (2018) have shown how platforms shape the citizen–government relationship. They point out that whereas different models of network governance all include structures that facilitate collaboration between administration and citizens, they do not accentuate the role of public authorities in providing data, tools and coordination that aim to empower citizens to create public value by themselves.

A fourth critical feature relates to the degree of openness and scalability. Ansell and Gash (2018) found that collaborative platforms often promote the scaling up of collaborative governance by creating modular collaborative units – a strategy that they call 'collaborative franchising'. Platforms are socio-technical spaces that are designed to attract actors (see Nash et al., 2017; Tiwana 2014). In this respect, our real-life examples of Finnish urban platforms appear to be invaluable. In particular, none of them has a fixed pool of actors involved in the platform. The relevant content or solution providers in each platform are recruited on an ad hoc basis from the pools of volunteers at varying scales, in our cases, from inhabitants of a city district, to university students, to all the stakeholders of a larger metropolitan area as well as outsiders. If any of such platforms were networks, their membership would be more clearly defined, members would constitute the network itself and members' primary interest would be to engage with other members rather than wider audiences. Networks have a common goal or denominator that binds members together, whereas platforms have more complex interest structures and modalities that are designed to deal with the inherent asymmetry between the platform creator, application developers and users or audiences.

We should not be misguided by labelling. Many 'platforms' are factually systems, networks, forums, clubs, associations or other social or socio-technical

formations. For example, the European Sustainable Cities Platform, supported by the city of Aalborg (Denmark), the Basque Country and Local Governments for Sustainability Europe (ICLEI) Europe, focuses on the uptake of the Basque Declaration, aiming to serve as an information hub for local governments, including the Transformative Actions Database. Despite its name, it is a genuine policy network with strong connections to associations and local governments. We may say much the same about the National Alliance on Mental Illness (NAMI) Public Policy Platform (Arlington, USA), which provides direction and guidance on policy issues affecting people living with a mental illness to the NAMI Board, NAMI State Organizations and Affiliates, and NAMI staff, as well as helping to inform the general public. Due to the emergence of these kinds of hybrids or particular forms of hierarchies, networks or other forms of heterarchies, it is beneficial to bear in mind the constitutive elements of platforms in economic life, as they help to determine the criteria for the ideal type of a platform (e.g. Moazed, 2016).

It is worth noting that the early forms of urban platforms have primarily been applied to collective innovation and development processes. Such innovation platforms may have their limits, however, for many of the challenges of urban governance are not about creating or collaboratively developing some new product, service or solution, but about managing complex processes, negotiating with potential partners, seeking consensus in decision-making situations or delivering services to politically decided target groups. Therefore, there is no guarantee that platforms as such are particularly suitable for meeting genuine governance challenges. On the other hand, the wide variety of different types of platforms in business and the public domain give a hint that the platform logic can potentially be successfully extended to more complex areas of collective decision-making, service co-production and governance (see, e.g., Ansell and Miura, 2020; Hodson et al., 2021; Kassen, 2019; Lember et al., 2018). This will obviously be a touchstone for the feasibility and added value of platforms as an evolving mode of governance.

#### **Conclusion**

In this article, we have investigated the question of how platform operations and governing principles relate to the three basic modes of governance, that is, hierarchy, market and network. Are platforms a completely new mode of governance or just a variation of network governance? Our approach to this issue is explorative, since platformization is still in its infancy and empirical instances are not only manifold, but also intertwined with other forms of governance in a complex manner. Our theoretically construed view of platform activities and logic was illustrated with three Finnish examples of urban platforms, which vary in terms of their local embeddedness.

According to our analysis, it is justified to view platforms as hybrids that incorporate features of both networks and markets, and, to some extent, even

hierarchies. However, platforms also have special features that make them distinct from other forms of governance. While actors' involvement is based in hierarchical structures on legal mandate, in the market on consumers' rational choice and in networks on resource interdependence, platforms are sought because of platform providers' and application developers' attempts to benefit from connections, matchmaking, sharing and audience building. In short, urban platforms are socio-technical spaces that are designed to collect resources, attract actors and create public value by resource orchestration and the facilitation of collaboration and transactions.

Perhaps the most intriguing challenge to platform urbanism is the open nature and fast, potentially extra-local, scalability of platform solutions, services or architecture. The development towards digital platforms highlights the interplay of virtual and physical spaces, as well as local and global spheres, which opens up a horizon for seizing the emerging opportunities that emanate from urban communities' enriched connections with the global context (see, e.g., Falco and Kleinhans, 2018). In fact, the platform logic broadens the view of network governance to a broader set of connections, the orchestration of multiple logics and ecosystem thinking. Implications for public governance are obvious, as suggested earlier, even though the realization of such a potential is conditioned by the local embeddedness and local interests that are the drivers of urban platforms.

The conceptual connection between platforms and networks is a complicated matter, which relates to the historical coincidence of the emergence of platforms at a time when networks had gained currency as the emerging social morphology of the information age. The other, equally important, factor is the rise of governance research in political and administrative sciences, in which networks became identified as a specific organizational paradigm that, in its modern form, succeeded hierarchies and markets. Rapid development in economic life and the rise of the new economy have challenged such a view of the development of the forms of governance. The most notable development in this respect has been platformization, which is gradually invigorating similar tendencies in the public domain and should thus be taken into account in the further development of the New Public Governance theory.

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