

Research on Legal Regulation of Internet Platforms

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Abstract: With the development of technology, Internet platforms continue to accumulate technological advantages and become super network platforms with rapid growth in the number of users and huge transaction scale, thus triggering problems such as platform monopoly, infringement of users' rights and interference with social governance. When the state and the government face the challenge of platform governance, the existence of a technological divide makes it difficult to achieve the desired effect of Internet platform governance through the traditional unilateral regulatory model. When the law grants power, appropriate measures should be taken at the same time to avoid the abuse of power. With fairness as the regulatory goal of Internet platforms, it is necessary to start the restraint of platform power from multiple perspectives of self-regulation, cooperative regulation and external regulation to promote the standardized operation of Internet platforms.

Keywords: Internet platform; power abuse; legal regulation; fairness

Introduction

With the improvement of technologies such as big data, cloud computing, and logistics warehousing, the Internet platform industry has not only become a provider of network services, but also combined with traditional physical industries to deeply integrate digital platforms with industries such as transportation, communications, education, culture, entertainment, and healthcare. With the rapid increase in the number of users, transaction size, and usage scenarios of Internet platforms, the technological monopoly advantage of Internet platforms has become increasingly evident, forming a super platform with super large user scale, super broad business types, super high economic volume, and super restrictive capabilities¹. The core elements of the digital economy are platforms, data, and algorithms. Super platforms can use data and capital advantages to form a closed digital economy ecosystem, strengthening their market control capabilities and social influence. Due to the unique organizational and operational characteristics of the digital economy, platform based enterprises are extremely prone to monopoly issues. Super platforms, relying on their dominant market position, arbitrarily modify trading rules, force operators within the platform to "choose between two", and impose high management fees. Not only does it have a negative impact on the order of the market economy, but it can also rely on its technological capabilities and data advantages to break through the business field and become a "technological Leviathan" that interferes with social governance².

When Internet platforms use website traffic as the pricing standard for market transactions, and develop corresponding reward and punishment mechanisms to discipline users to form traffic thinking. Therefore, users gain traffic by maximizing attention rather than restoring the truth. Some users participate in political activities and social event discussions on social platforms by using methods such as commenting, cursing, and hot searching, and use emotional positions to dominate online actions, which is highly prone to online violence and group antagonism³. In addition, due to limitations in technical capabilities and law enforcement costs, the government enforces regulation of users and information content within the platform by requiring the Internet platform to assume the main responsibility, thereby enabling Internet platform enterprises to have the power and responsibility to handle information, review content, judge violations, and impose disciplinary consequences. Due to the lack of uniform standards and vague responsibility settings, private regulatory activities carried out by the platform pose a risk of infringing user rights⁴. With the gradual expansion of the power held by Internet platforms, on the one hand, the risk of infringement on user rights has increased, and on the other hand, the invasion of public rights has triggered a governance crisis. Therefore, Internet platform governance poses an important challenge to the modernization of government governance capabilities. It is important to properly handle the relationship between private and public rights, and safeguard the legitimate rights and interests of all parties while giving play to the role of Internet platforms in promoting resource allocation optimization, technological progress, and efficiency improvement.

¹ The Internet Platform Classification and Grading Guide (Draft for Comments) issued by the China State Administration of Market Supervision and Administration divides Internet platforms into 3 levels: super platforms, large platforms, and small and medium platforms.

² Xu Jinghong, Yuan Yuhang, Gong Miankun. Online platform governance in the Chinese context: key issues, existing models and future prospects. *Journal of Zhengzhou University (Philosophy and Social Science Edition)*, 2022(01):114-120+128.

³ Tian Yifei. Legal regulation of the new economic industry: the example of the phenomenon of misconduct in the rice circle. *Journal of Central State University*, 2022(04):72-78.

⁴ Kong Xiangwen. Public law reflection on the structure of information content regulation on online platforms. *Global Law Review*, 2020,42(02):133-148.

The power form of the Internet platform

Over the past half century, the development of computer and information technology has led to the popularization of Internet applications. Economic models and various aspects of social life have been impacted by Internet thinking. Driven by constantly updated data technology, Internet companies have created network platforms to integrate information and business, facilitating interactions and transactions among various users, making Internet platforms increasingly an important organizational model in the era of the digital economy. For internet platform companies, power is not “inherent”, but gradually formed in the process of integrating resources.

(a) Definition of Internet platform

Internet platform refers to the form of business organization that enables mutually trusted bilateral or multilateral subjects to interact under the rules provided by a specific carrier through network information technology, thereby creating value together. The characteristic of the platform is that the role of the Internet platform is to coordinate and facilitate transactions. The platform itself does not produce and own transaction items, but rather achieves the optimal matching of asset supply and demand through effective transaction matching mechanisms⁵. In summary, the term “Internet platform” in this paper refers to the building of infrastructure through information technology to provide bilateral or multilateral interaction space for users. The platform serves as a venue for transaction activities to take place and provides unified management of market access, interaction rules, transaction occurrence, transaction quality and dispute resolution.

(b) The power attributes of the Internet platform

According to the definition of an Internet platform, platforms have different rights and responsibilities in different scenarios due to their different roles. According to the “Guidelines for Classification and Grading of Internet Platforms (Draft for Comments)” issued by China State Administration of Market Supervision and Administration of China, platforms are divided into six categories based on their connection objects and main functions: online sales, life services, social entertainment, information, financial services, and computing applications. Internet platforms are divided into three levels: super platforms, large platforms, and small and medium-sized platforms based on user scale, business types, and limiting capabilities. Power refers to the ability of a subject to use its own resources to exert coercive influence and control over others, urging or forcing them to act or refrain from acting according to the will and value standards of the power owner⁶. According to this concept, we can identify the management authority of the Internet platform and summarize the types of power of the Internet platform.

From the source of power, the platform power first originates from the technical ability. Internet platforms use technology to control data and the ability of other subjects’ behavior patterns, form accurate user portraits through big data analysis, enhance user trust and transaction dependence, thus unilaterally influencing users’ rights realization and behavior choices, and continuously strengthening their own influence and control. The platform monopolizes the key data, algorithms and infrastructure, and has considerable control not only over the non-platform subjects with upstream and downstream industrial chain relations, but also has relative control over the producers of goods and services through the medium of the platform and the platform users, thus being in a state of power inequality with other subjects in the pluralistic relationship.

Secondly, in order to use the services of the Internet platform, users sign a service usage agreement with the platform to transfer their rights in the form of “user consent”. Extensive user authorization behaviors empower the Internet platform to manage their rights. The business scope of the Internet platform itself determines the scope of services required by users, thereby determining the specific content of platform management rights. Overall, based on the service agreement, the platform can generate permissions such as user authentication, merchant qualification review, account management, information publishing and content review, information security management, data storage and deletion, reporting illegal information, resolving disputes, punishing violations, and pursuing compensation responsibilities.

In addition, legal norms require Internet platforms to bear the main responsibility, forcing them to strengthen self management by setting legal review obligations for Internet platforms, and bearing joint and several liabilities for user violations, and forming a management system of “government managed platforms, platform managed users”. Under this institutional logic, the government has transferred some of the management responsibilities of cyberspace to the Internet platform. For users, Internet platforms have management power similar to government power in maintaining public order in cyberspace, providing platform usage services, resolving disputes, and punishing violations.

In summary, Internet platforms acquire power through three channels: technology preemptive self empowerment, user agreement rights transfer, and government public power authorization⁷. The power enjoyed by Internet platforms comes partly from private law rules and partly from public law rules. Therefore, platform power is a combination of private power and public power.

⁵ Tang Yaojia. Research on economic attributes of digital platforms and regulatory policy system. *Economic Journal*, 2021(04):43-51+2.

⁶ Guo Daohui. The characteristics of power and its essentials. *Journal of Shandong University of Science and Technology (Social Science Edition)*, 2006(02):64-69.

⁷ Ma Zhiguo, Zhanni. Legal regulation of private power of super platform in the context of digital society. *Journal of Beijing University of Technology (Social Science Edition)*, 2003(1):1-16.

(c) The Legal status of the Internet platform

Based on the multiple sources of power of Internet platforms, there are various theoretical models for scholars to determine the legal status of Internet platforms. The earliest one was “mere channel”, and since then, theories such as “gatekeeper” and “public utility” have been developed as the basis for analyzing the public responsibility of Internet platforms.

At the beginning of the development of internet technology, in order to promote the rapid development of the internet industry, the government provided a relaxed policy environment, and the supervision of internet platforms was a market-oriented management mechanism. At this stage, some scholars proposed to position the Internet platform as a pure channel for transmitting information⁸, characterizing it as a “conveyor belt” in cyberspace, collecting and distributing information, and taking a neutral position. The government has very limited management over the platform and the platform’s users.

With the rapid development of technology and commerce, as Internet platforms shift from information sharing platforms to connecting platforms for the real economy such as finance, physical goods, and labor, new forms of production organizations have emerged. When production resources flow from traditional organizations to new platforms, they inevitably have an impact on the old production methods⁹. “Power and rights” are not absolute opposites. When government power and early market players have formed a monopolistic combination of interests, new market participants may be jointly suppressed by government intervention and original market competition players¹⁰. The transition between the old and new modes of production has triggered conflicts and contradictions of interest among producers, requiring the law to reconfirm the boundaries of interests. The existing legal rule system cannot cope with the social governance challenges brought about by technological innovation. The EU Digital Markets Act (DMA) defines when a large online platform qualifies as a “gatekeeper”. Companies operating one or more of the so-called “core platform services” listed in the DMA qualify as a gatekeeper if they meet the requirements described below. These services are: online intermediation services such as app stores, online search engines, social networking services, certain messaging services, video sharing platform services, virtual assistants, web browsers, cloud computing services, operating systems, online marketplaces, and advertising services. Platforms have become key gatekeepers of the internet, intermediating access to information, content and online trading. As these platforms increasingly take on an infrastructural role in the modern economy, the public utility principles that animate proposals in net neutrality and finance offer a productive alternative¹¹.

To this day, as Internet platforms have the dual identity of both enterprises and markets, they are organized as enterprises and their organizational function is to form markets where users can interact with each other. In the process of maintaining market order, Internet platforms assume the management function of their users and contents, and possess public power and public attributes similar to those of the government¹². The core of regulation is to guide or adjust behavior, determine the boundaries of behavior through setting permissions, setting standards, mandatory information disclosure, credit records, and other methods, correct violations of regulatory rules, and achieve established goals. Based on legal regulations, social norms, and business rules, Internet platforms intervene and control the economic activities and related social issues of entities within the platform, that is, the platform institutionalizes various interest relationships as a regulator, with a view to achieving public policy and business goals. However, the task of government public power is to provide public services, and the purpose of action is to protect public interests. The Internet platform does not have a natural public attribute and aims to obtain commercial benefits. When public interests and commercial interests are inconsistent or even contradictory, the platform prioritizes commercial interests, and even tolerates counterfeiting, fraud, and infringement in exchange for the number and scale of commercial transactions¹³. In the event that the Internet platform damages consumer rights and violates the obligation to protect users’ personal information, then the Internet platform acts as the object of government regulation, and according to the law, the government requires the fulfillment of corporate compliance obligations. On the one hand, the Internet platform is the subject of implementing regulation; on the other hand, the Internet platform is also the object of administrative regulation. Therefore, the Internet platform has the dual identity of both the subject of regulation and the object of regulation, and enjoys different powers (benefits) and undertakes different obligations in different scenarios.

The task and objectives of the regulation of the Internet platform

Depending on the source of power, platform companies have the dual identities of private regulators and public regulators. Based on the needs of different identities, the regulatory objectives and task contents of Internet platforms are also different.

⁸ Sutter G. Don’t Shoot the Messenger? The UK and Online Intermediary Liability, *International Review of Law Computers and Technology*, 2003(1):17.

⁹ Hu Ling. “Illegal emergence”: a perspective for understanding the evolution of the Internet in China. *Culture Vertical*, 2016(05):120-125.

¹⁰ Sheng Xuejun, Tang Jun. Economic Law Perspective: The Game Equilibrium of Power and Rights - Taking Uber and Other Internet Ride-hailing Platforms as an Unfolding. *Social Science Research*, 2016(02):97-103.

¹¹ Rahman K.S. The new utilities: Private power, social infrastructure, and the revival of the public utility concept. *Cardozo L. Rev.*, 2017(39):1621.

¹² Wang Kun, Zhou Luyao. Autonomy and Co-governance of Platform Enterprises. *Zhejiang Journal*, 2021(01):4-15.

¹³ Dai Xin, Shen Xinwang. The future of law enforcement and the reality of Internet platform governance. *China Law Review*, 2016(04):89-106.

(a) Internet platforms as private regulators

On the one hand, the motivation for Internet platforms as private regulators comes from market competition. In order to create a good corporate image, enhance user stickiness, ensure long-term development of enterprises, and enhance economic benefits, Internet platforms actively assume regulatory obligations. Due to the spontaneous needs of the market, private entities formulate and implement rules on their own, requiring users of the platform to comply with management rules, thereby forming a private regulatory relationship. During the operation process, Internet platforms have the power to formulate rules, regulate behavior, impose penalties, and handle disputes. For platform users, the platform has the right to take measures such as setting access conditions, data access control, and deleting information, which directly restrict the user's use behavior. Effective management measures can promote efficient interactive activities, enhance the business reputation of Internet platform enterprises, and thus transform into direct economic benefits.

On the other hand, the motivation for Internet platforms as private regulators comes from external pressure to implement regulatory measures under the deterrence of legal provisions, government regulation, and public opinion supervision. As a private regulator, the platform must bear corresponding regulatory governance obligations. If the platform fails to fulfill reasonable governance obligations, resulting in the occurrence of infringement, the platform should bear the necessary regulatory negligence responsibility, and the government regulatory agencies should impose corresponding administrative penalties on it¹⁴. Necessary management measures can avoid the risk of sanctions from the public sector, avoid causing condemnation and criticism by public opinion, and thereby reduce the reputation and property losses of platform companies.

Internet platforms, as private regulators, take private interests as the starting point and maximize corporate interests as the goal of regulation, thus possessing the initiative to optimize internal management rules and measures. Motivated by the incentive of voluntary regulation, Internet platforms take regulatory measures as private subjects, and the legal relationship between Internet platforms and users is regulated by private law norms.

(b) Internet platforms as public regulators

The government authorizes Internet platforms to make and enforce rules and regulations, and the government "outsources" the governance of the platforms, which is nested with the rules and structure-based platform governance in the platform-based online market, forming an interaction and evolution between the legal system, platform rules, and user self-organized order¹⁵. The government's choice of regulatory strategy is to first allow Internet companies and capital to carry out some kind of commercial innovation, usually after one to two years of survival of the fittest and market stabilization, unicorn companies emerge and become market oligarchs, and then regulate according to existing problems in terms of technical standards, market access, and behavioral norms, which is the norm of network legislation. This is because Internet platforms not only absorb legal regulations as platform rules, but also assume the function of system exploration. In the context of lagging legislation, Internet platforms are shaping the market order while also developing rule tools to maintain it. For example, the reputation mechanism created by Internet platforms provides a reference for the state to develop a credit system. It is thus clear that Internet platforms have a spillover effect on Internet platform rules that may eventually feed back to the formal legal system and lead to the formation of new legal public goods.

First, Internet platforms are facilitators of government regulation. Cyberspace governance is a component of public governance and one of the important issues of government public management in the digital era. The network society is composed of the cyberspace built by various Internet platforms, which are not limited by geography and time, and promote the formation of a flat network social structure. Faced with a large number of users, due to law enforcement costs and technical capabilities, the government can only rely on Internet platforms for public regulation, which some scholars refer to as "entrusted governance"¹⁶. The government has issued a large number of laws and regulations, set market access conditions, set platform obligations in data security, consumer rights protection, content review, and other aspects, and require online platforms to assist the government in completing social management functions. For this reason, Internet platforms stipulate in software license service agreements or self-discipline conventions that users must not publish content prohibited by laws and administrative regulations.

Secondly, the Internet platform is the executor of public regulatory measures. Due to the lack of technical control by the government, the traditional regulatory measures adopted are all applied to offline situations, and cannot exert a coercive force on online behavior. When users encounter violations of privacy, intellectual property rights, national security, and other illegal and criminal events during the use of Internet platform services, the legal liability bearing methods such as deleting inappropriate information and blocking links need to be implemented by the Internet platform.

Internet platforms, as public regulators, are transformed from commercial subjects to important subjects of public governance, and are required to set regulatory rules and adopt regulatory measures for the purpose of achieving public interest out of the pressure of mandatory regulation.

¹⁴ Tang Yaojia. Study on the economic attributes of digital platforms and regulatory policy system. *Economic Journal*, 2021(04):45.

¹⁵ Sun Shaoyang. Construction and mechanism analysis of "platform-government" two-tier governance model in online market. *Business Economics Research*, 2022(11):78-82.

¹⁶ Jonathan Peters, Brett Johnson, Conceptualizing Private Governance In a Networked Society, *North Carolina Journal of Law & Technology*, 2016(18):15.

(c) Correcting the regulatory objectives of Internet platforms: fairness

Although the Internet platform is a private law subject in the online service market, it has acquired public power beyond private law under multiple empowerments, and thus has the dual identity of a private regulator and a public regulator. In the legal relationship formed by multiple entities such as individuals, platforms, and countries, Internet platforms enjoy public power without being restricted by general public law rules, resulting in the risk of power abuse and hidden dangers of public governance. In the process of technological transformation of legal implementation in the future, the state will most likely seek to leverage the technical capabilities of commercial platforms, and even “outsource” certain specific legal implementation functions to the platform. But when using commercial algorithms, does the country have the ability to reasonably identify the scope of public interest and ensure its realization? Is there a contradiction between the dual needs of the state for the utilization and control of business platform governance capabilities, and how should they be coordinated and balanced?

From a functionalist perspective, Internet platforms have public service functions and carry the realization of social public values. When the use of property has public importance and affects the entire society, it has the characteristics of public interest. When there is a public interest in the use of a person’s property, he effectively grants the public an interest in the use of the property, and must accept public control based on public good, as long as such control is within the scope of his interest¹⁷. Therefore, when imposing regulatory obligations on Internet platforms, it is necessary to treat them differently based on the size of the platform. Platforms with a dominant position and broad social impact clearly bear higher public law regulatory obligations than small operators, avoiding unnecessary burdens on small and medium-sized platforms. The recognition of the identity of the administrative subject in modern administrative theory is no longer limited to government departments, and matters involving the maintenance of public interests are included in the scope of public administration. The social influence of Internet platforms, especially super platforms, determines their obvious public interest attributes. When Internet platforms are defined as quasi public goods, they involve the pursuit of the goal of distributive justice.

Without clear regulatory objectives, it is difficult to evaluate and weigh regulatory measures. The exercise of private power by Internet platforms is as prone to abuse as the exercise of public power by the state. The larger the platform market, the greater the likelihood of abuse of power. The rapid development of digital technology and the complex development of platforms are difficult issues in platform governance. In view of the common features of various types of platforms, it is necessary to propose general principles for platform regulation. The determination of the overall principles of Internet platforms should not only ensure the role of digital platforms in promoting social development, but also carefully grasp the relationship between platform governance and social governance. In order to better achieve the publicity of the Internet platform and restrict the arbitrary power of the super platform, the principle of fairness should be introduced into the legal regulations of the Internet platform to restrict the super power of the Internet platform. Maintaining the input of fair principles in the rule creation process on Internet platforms can also help increase the legitimacy of platform regulations themselves. First, the principle of fairness requires that Internet platforms be treated equally. Do not treat users differently based on their income level, gender, geographical location, and consumption preferences, and eliminate algorithmic discrimination. Do not abuse power to unreasonably restrict user freedom, and ensure that all types of users can access the platform equally for interaction. Secondly, the exercise of power by the platform should meet the requirements of procedural justice. The platform rules should be as clear and operable as possible, and the criteria for judging violations should be published to ensure the user’s right to participate. Finally, explore the establishment of an external review mechanism for platform rules, and establish an external supervision system.

Optimization of the legal regulation of the Internet platforms

The principle of fairness puts forward higher requirements for Internet platforms to safeguard public interests and protect users’ legitimate rights and interests, thus the regulatory tasks of Internet platforms include maintaining a level playing field, safeguarding user data security, managing platform content and users, regulating online trading activities, and cooperating with law enforcement. In order to overcome the shortage of a single regulatory approach, the legal regulatory system of Internet platforms can be improved from three main types of regulatory approaches: self-regulation, administrative regulation, and cooperative regulation.

(a) Self-regulation

Self-regulation of online platforms refers to a series of self improvement and self regulatory measures carried out by platform entities based on their own business development, catering to government regulatory needs, and preventing potential risks¹⁸. The complexity of platform development determines the necessity of platform autonomy. In order to reduce the cost of regulatory governance, the platform should fully exert its self-regulation role. Maximize the role of self-regulation mechanisms, and complete self-regulation of market entities through private law methods such as individual self-determination, market self-discipline, and industry autonomy. According to the “Regulations on the Management of Mobile

¹⁷ Munn v. Illinois, 94 U.S. 113,126 (1876).

¹⁸ Sun Yixiao. Regulation of self-regulation of online platforms: from power generation to power accommodation — a perspective of algorithmic media platforms. E-Government, 2021(12):70.

Internet Application Information Services” revised and issued by the National Internet Information Office of China in June 2022, application providers and application distribution platforms are required to fulfill the responsibility of the main body of information content. In September of the same year, the State Internet Information Office, the Ministry of Industry and Information Technology, and the State Administration of Market Supervision and Administration jointly issued the “Regulations on the Management of Internet Popup Information Push Service”, requiring Internet Popup Information Push Service providers to implement the main responsibility for information content management. The so-called subject responsibility refers to the redistribution of social governance functions by the government, requiring Internet platforms to share public management responsibilities. Due to the dual identities of the Internet platform as a competitive entity and a market regulator, the responsibilities of the Internet platform generated based on the identity of the market regulator can be divided into a dual structure, namely, the platform responsibilities generated by the regulatory authority in response to regulatory obligations, and the platform responsibilities corresponding to the power to regulate the market for users within the platform.

In the network era, the problem of the lagging nature of the law is significantly magnified. Due to the rapid innovation and development of science and technology, the speed of formulating and updating laws cannot keep up with the iterative speed of network technology, and the regulatory capacity of the government on the platform does not match the regulatory needs of the network platform. Therefore, self-regulation of the platform is an important supplement to government regulation. Currently, there are problems with online platforms such as selling counterfeit goods, disseminating pornography, disclosing privacy, and publishing information that endangers national security and social stability. This not only causes disorder in cyberspace, but also has an impact on the real society. The regulation of these issues should have been completed by the public sector, with state organs punishing them afterwards through administrative penalties, criminal accountability, and other methods. However, Internet platforms can intervene in advance and intervene in user behavior, such as accepting complaints and reports, limiting account permissions, deleting information, and removing information links, to block administrative illegal or criminal acts, which can not only significantly reduce administrative costs. Moreover, it can reduce the negative impact on society and achieve better social governance results. In practice, the punishment of violating users becomes arbitrary without effective constraints, which can easily cause improper interference and impact on the rights of users. Based on the principle of fairness and the need to control power, the platform power of the Internet can be appropriately constrained by referring to procedural fairness requirements in public law. When taking regulatory measures on Internet platforms, the parties are allowed to state and defend in accordance with the standards of public disclosure and discretion. When making adverse actions against the parties, reasons must be stated and the right to know of users must be respected.

In receiving complaints and handling disputes, the Internet platform assumes a “quasi-judicial function”. The core essence of justice is to make fair decisions and ultimately achieve proper resolution of disputes. As an important component of state power, judicial power functions as a typical public good, and the state assumes the responsibility for providing it. The number and types of disputes occurring on Internet platforms are numerous, and a large number of disputes are not actionable. If all actionable disputes are resolved through litigation channels, it may result in a shortage of judicial resources and an excessive burden on the parties. Compared to the external relief methods of judicial organs, the internal dispute resolution function of the Internet platform can make up for the shortcomings of national dispute resolution, save public resource expenditure, improve processing efficiency, and quickly repair market order. In practice, Internet platforms have been accused of being biased in the handling of disputes, with specific preferences between merchants and consumers due to the need for commercial interests. Therefore, in the process of handling disputes, Internet platforms should uphold the value of judicial justice, treat the parties equally, and maintain the realization of the goal of justice.

(b) Administrative regulation

For Internet platforms, the effectiveness of self-regulation is limited. When the private interests of platform enterprises conflict with public interests, the “self-interest” motive of Internet platforms will make them lose the motivation of self-regulation and turn their backs on public interests. The path of social responsibility of platform enterprises should be constructed by considering their dual attributes separately, determining positive social responsibility based on their market attributes, giving full play to the social responsibility of market supervision of platform enterprises by setting up internal special governance institutions, assisting administrative organs in law enforcement and forming an effective self-monitoring mechanism; determining negative social responsibility based on their corporate attributes, making their profit-seeking behavior conform to business ethics by regulating their private power. The negative social responsibility is determined based on their corporate attributes, and by regulating the private power of enterprises to make their profit-seeking behavior ethical. Therefore, in addition to self regulation, it is necessary for the government or public sector to implement administrative regulations on Internet platforms as regulators. For example, in 2021, the Anti monopoly Committee of the State Council of China issued the “Anti monopoly Guidelines on the Platform Economy”, which requires the anti monopoly law enforcement agencies to focus on preventing and suppressing monopoly behavior, and scientifically and efficiently implement market regulation. Since the issuance of the “E-commerce Directive” in 2000, the European Union has successively introduced regulatory laws targeting gatekeepers such as the “Digital Market Law” and the “Digital Services Law”, which require operators providing core platform services such as internet social platforms and online trading platforms to fulfill their compliance obligations and bear the consequences of violations.

Administrative regulation implicitly requires that governments, as governance actors, must have the technical capacity to govern digitally. At the same time, overly broad and comprehensive regulation may have unintended negative effects on competition and innovation in terms of how it affects the organization of digital platform activities, including the threat of overly rigid regulation of small start-ups in adapting to a changing environment.¹⁹ When the separation of the interests of Internet platforms from the public interest leads to deviations in platform behavior, the executive branch then needs to intervene and correct them in a timely manner to

prevent any alienation of power. In the practice of platform governance, it is not uncommon for super platforms to abuse their power and restrict competition by virtue of their technical and economic advantages. In order to promote the standardized and sustainable development of platform economy, the administrative departments need to carry out timely anti-monopoly supervision, so that the Internet platforms are in a state of fair competition with each other.

(c) Cooperative regulation

Self-regulation of the Internet platform is to plan ahead for foreseeable governance issues, and the platform enterprise takes the initiative to assume the functions of rule-making, operation management and dispute resolution. Administrative regulation involves the government in the operation process of the network platform, requiring it to formulate reasonable and fair rules and implement standards that are conducive to the interests of users. It aims to enable all parties to fully understand and realize their own interests, while achieving the best social effect. The goal of regulation is to make the entire economy dynamic, not only involving reducing the burden on market entities, but also promoting the orderly and free flow of resources between platforms¹⁹. Coexisting with self-regulation and administrative regulation is cooperative regulation. Cooperative regulation requires the public sector to establish long-term collaborative relationships with platform companies, reach consensus on cooperation in rulemaking, industry self-discipline, and share responsibilities through consensus between public and private partners. For example, when formulating industry rules and internal rules on Internet platforms, the government, as a representative of public interests, actively participates in the formulation process, including corporate representatives, the public, and other stakeholders, making the formulation of rules on Internet platforms more scientific and reasonable.

Conclusion

Internet platform enterprises enjoy the authority to manage network services, and also bear the obligation to directly manage online public affairs. Based on the protection of public interests, the government retains the right to regulate enterprises with justice as the goal of governance to ensure that platforms exercise their powers fairly and responsibly. The core of embedding the principle of justice in public law in the legal framework regulating Internet platforms is to require platforms to provide equalized service supply from the perspective of users' rights, fully guarantee users' right to equal access to platform services, comply with legal norms in data security protection, content management, and fair competition, maintain public order on the network, and ultimately form a good market ecosystem.

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¹⁹ Hu Ling. From open resources to basic services: A new perspective on platform regulation. *Academic Monthly*, 2019(02):96-108.

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