TILBURG ◆ UNIVERSITY

Tilec Tilburg Law and Economics Center

Call for Papers

A TILEC Workshop on:

Economic Governance of Social Media

September 25-26, 2025

Tilburg Law and Economics Center (TILEC)
Tilburg University, the Netherlands
www.tilburguniversity.edu/tilec/governance

SCIENTIFIC BACKGROUND AND GOAL OF THE WORKSHOP

Keynote Speakers

Natali Helberger
(U Amsterdam)

Emeric Henry
(Sciences Po)

Jacob Montgomery
(Washington U St. Louis)

Piotr Sapiezynski
(Northeastern University)

In 2023, there were 4.76 billion social media users worldwide, comprising 60% of the world population and over 90% of internet users.[i] While social media have created a range of well-documented benefits, both for businesses and for individual users, the list of negative effects for democracy, individuals and society at large is growing:[ii] distribution of misinformation and hate speech, manipulation of individuals' beliefs and behavior through news selection, the sheer amount of time spent on social media platforms, keeping people away from being productive, and negative trends in mental health, especially amongst children and young adults, cast a long, dark shadow over social media's net effects.

People who use social media for news have lower news knowledge, lower trust in institutions and are more polarized.[iii] Social Media is addictive, like cigarettes.[iv] Burstyn et al. (2024) ran an experiment with users of social media platforms TikTok and Instagram.[v] They find positive welfare of social media use based on the literature's standard measures, but negative welfare when accounting for non-user externalities. This suggests product market traps, where *active* users of a platform prefer it *not* to exist.

Political scientist Lars Rensmann, asked about reasons for the recent upswing of radical right parties, summarized: "Not populists like Trump but social media are the biggest threat."[vi] The documented growing discontent of many voters with the political establishment (and more and more: the system of liberal democracy with rule of law and political checks and balances on those in power) has thrived on social media. Over the past decade, we have seen how social media has contributed to an extremely polarized society. Especially young people depend very much on TikTok in their news diet, where radical right-wingers successfully proclaim their message and facts matter little. Adults, too, often consume a large part of their news via social media or news aggregator sites. As Rensmann puts it: "Democracies work only when politics is based

on facts. As long as that is not the case and people are shaped by propaganda, democracies are doomed."

So, what can be done?

Ofcom research demonstrates that platforms and their algorithms can indeed influence the news diet of their users.[vii] Fortunately, policy makers are not sitting still. From Germany's 2017 Network Enforcement Act, to the EU's 2022 Digital Services Act, to the debate over Section 230 in the United States and the UK's 2023 Online Safety Act, and beyond, governments around the world are trying to equip their regulators with rules and tools that prevent social media from harming society. The Financial Times' editorial board proclaimed: "Europe's democratic values are so fundamental that its leaders should not shy from enforcing rules designed to protect them — even if that risks clashing with the X or Meta bosses, or the returning US president."[viii]

For Rensmann, the example of Elon Musk is a point of crystallization: "He has 203 million followers, he owns X, he spreads hate and disinformation, and he influences elections. Someone needs to stand up and not just say that social media is worrisome, but actually do something about the power of big business."

This is the starting point for this workshop on "Economic Governance of Social Media." **While we understand that a service used by 60% of the world's population must deliver some benefits, we take it as a working hypothesis that social media's negative effects must be contained. The question is how, and by whom?**

Such questions are the premise of the field of economic governance, which studies the structure and functioning of the legal and social institutions that support economic activity and economic transactions by protecting property rights, enforcing contracts, and taking collective action to provide physical and organizational infrastructure (Dixit, 2009, p.5).[ix] Economic governance is a broad concept that hosts both public-ordering institutions (governance by state authorities), private-ordering institutions (governance by formal or informal non-state actors), and hybrid forms. It tries to identify the optimal institutional setup, i.e., the optimal allocation of control rights over the design, adjudication, and enforcement of rules in any given socioeconomic environment.[x]

The *Tilburg Law and Economics Center (TILEC)* has organized six economic governance workshops, which focused on the role of competition (in 2010), organizations (in 2013), social preferences (in 2015), data-driven markets (in 2017), the governance of big data and AI (in 2019), and political legitimacy (in 2022), respectively. Now, we strive to stimulate the debate how the negative effects of social media could be contained, both conceptually, practically, legally, and technically.

During a multidisciplinary, discussion-intensive, deeply theoretical and policy-oriented two-day workshop in September 2025, we aim to learn from theoretical, empirical, experimental, and conceptual papers addressing the main question from various angles.

SPECIFIC TOPICS INCLUDE (BUT ARE NOT LIMITED TO)

- How could we get into today's misery? Is it social media's addictiveness (and, hence, treating it like cigarettes or drugs is the way forward), should we rely on models of behavioral, cognitively constrained users, or can the success of social media be explained by rational users who accept "some" negative effects in order to get the technology's goodies, e.g., because the negative effects are largely borne by others?

- What is the current state of social media regulation and legislation around the globe? What are best-practices? What works and what does not?

- What are effective ways to manage the risks posed by social media? What are the prospects and challenges of transparency regulation, the banning of certain forms of processing of personal data and targeted advertising?

- What are the main trade-offs in regulating social media? If social media use was constrained or even completely forbidden, as for children in Australia, what might users do instead? Can the alternatives be expected to be more supportive of democracy, a healthy civil society, respectful dialogue, and evidence-based policies than social media?

- Are all social media equally bad? Why not? What are characteristics of very negative applications, and which interactive communication platforms may create more positive than negative effects?

- What are the distributional effects of social media, and how may market interventions affect different user groups? What can we conclude from this for effective policies?

- What are theoretical and practical alternatives to legislation and regulation (public ordering)? Could we expect private ordering, e.g., in the form of industry self-regulation by associations or monitoring by civil society groups or consumer protection agencies, reduce the negative consequences?

- Can we learn from regulation of traditional media? How did traditional media governance models balance freedom of expression with editorial control? Could social media platforms be incentivized or mandated to adopt similar governance models, with oversight bodies ensuring fair and transparent moderation practices?

- How does the ownership structure of major social media platforms (e.g., individual billionaires vs. publicly traded companies) affect their governance and accountability and legitimacy? How does foreign ownership of major platforms influence governance? One step further: Could interventions in the governance structure of social media, e.g., by mandating representatives from consumer protection agencies on social media company's boards, serve as silver bullet?

PROGRAM COMMITTEE
Pratiksha Ashok (Tilburg)
Johannes Binswanger (St. Gallen)
Konrad Borowicz (Tilburg)
Friso Bostoen (Tilburg)
Panos Delimatsis (Tilburg)
Sean Ennis (University of East Anglia)
Inge Graef (Tilburg)
Kun He (Tilburg)
Tobi Klein (Tilburg)
Madina Kurmangaliyeva (Trinity College Dublin)
Melika Liporace (Tilburg)
Franco Mariuzzo (University of East Anglia)
Giorgio Monti (Tilburg)
Wieland Müller (Vienna and Tilburg)
Jens Prüfer (Tilburg and University East Anglia)
Florian Schuett (KU Leuven and Tilburg)

FORMAT
The workshop will take place at Tilburg University, the Netherlands, on September 25-26, 2025, and is planned for two full days. Regular presentations (30 minutes) will be followed by a discussant (10 minutes) and public discussion (20 minutes). For keynote speakers, the format will be 45 minutes presentation and 30 minutes of public discussion. There will be plenty of time for informal discussion and social interaction. Additionally, a poster session may be held during both lunch breaks if the quality of dedicated submitted papers suggests it.

FEES AND REIMBURSEMENT POLICY
There is no conference fee. TILEC will cover the accommodation and travel expenses of speakers and discussants in the regular sessions (not in the poster session).

IMPORTANT DATES

The **deadline for submissions is June 15, 2025**. Papers should be submitted in PDF format to TILECgovernance@uvt.nl. Long abstracts are accepted but full papers are preferred. Unless otherwise mentioned with the submission, it is understood that the **author submitting a paper is also the presenter** and **present throughout the workshop**.

Submitters **should indicate whether they want their paper to be considered for a poster session**. If accepted for a poster session, authors are responsible themselves for producing their poster. Authors of accepted papers will be **notified by July 14, 2025**. Speakers might be asked to discuss another paper. **Completed drafts** of accepted papers are due **by September 15, 2025,** and will be shared with the participants.

ORGANIZERS

Jens Prüfer (Tilburg University and University of East Anglia), j.prufer@uvt.nl
Inge Graef (Tilburg University), i.graef@tilburguniversity.edu

[i] https://datareportal.com/reports/digital-2023-global-overview-report

[ii] Aridor G, Jimenez-Duran R, Levy R, Song L. 2024. The Economics of Social Media. *Journal of Economic Literature*.

[iii] https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/multi-sector/media-plurality/annex-3-survey-analysis.pdf?v=328776

[iv] Allcott H, Gentzkow M, Song L. 2022. Digital addiction. *American Economic Review*, 112(7): 2424–63.

[v] Bursztyn L, Handel B, Jimenez-Duran R, Roth C. 2024. When product markets become collective traps: The case of social media. Working paper. https://raw.githubusercontent.com/cproth/papers/master/CollectiveTraps.pdf

[vi] Translation from Dutch original, which is at https://www.trouw.nl/buitenland/waarom-heeft-radicaal-rechts-de-wind-in-de-zeilen-niet-populisten-als-trump-maar-sociale-media-vormen-de-grootste-bedreiging~b6b0767a/

[vii] https://www.ofcom.org.uk/online-safety/protecting-children/tech-firms-must-tame-toxic-algorithms-to-protect-children-online/

[viii] Financial Times. "The Musk Threat to European Democracy," 9 January 2025, online edition.

[ix] Dixit A. 2009. "Governance Institutions and Economic Activity," *American Economic Review* 99: 5-24.

[x] Prüfer J. 2024. "Economic Governance and Institutional Design"; TILEC Discussion Paper 2024-10.