

US lawmakers back Big Tech regulation bills in marathon session

June 23 2021, by Rob Lever, With Glenn Chapman In San Francisco



Big Tech firms likely to be affected by antitrust legislation in Washington include Google, Apple, Facebook, Amazon and potentially Microsoft.

US lawmakers debated into the early hours Thursday over details of legislation aimed at curbing the power of Big Tech firms with a

sweeping reform of antitrust laws.

House Judiciary Committee members clashed while tweaking bills with potentially massive implications for large online platforms and their users.

Legislation being forwarded to the floor of the House of Representatives could force an overhaul of the practices of Google, Apple, Amazon and Facebook, or potentially lead to a breakup of the dominant tech giants.

Critics argue the measures could have unintended consequences that would hurt consumers and some of the most popular online services.

Representative David Cicilline, who headed a 16-month investigation that led to the legislation, said the bills are aimed at restoring competition in markets stymied by monopolies.

"Amazon, Apple, Facebook and Google are gatekeepers to the online economy," Cicilline said during the hearing.

"They bury or buy rivals and abuse their monopoly power, conduct that is harmful to consumers, competition, innovation and our democracy."

The bills would restrict how online platforms operate, notably whether tech giants operating them can favor their own products or services.

The measures would also limit mergers or acquisitions by Big Tech firms aimed at limiting competition, and make it easier for users to try new services by requiring data "portability" and "interoperability."

A bill requiring user data to be easily moved between platforms passed as midnight neared Wednesday.

"If you hate the way Facebook moderates posts, you should love this bill, which requires Facebook to interoperate with competing platforms so that users can choose the moderators they want," the non-profit Electronic Frontier Foundation said in a tweet.

Members of the committee went on to green-light a bill that would require Big Tech firms to prove an acquisition or merger would not crimp competition.

Currently, US regulators have to prove a merger is anti-competitive to block it.

"This legislation is not a merger ban," Cicilline said.

"It merely makes them show their merger will not stifle competition."

The bill came under fire by members of Congress who felt it unjust to apply a presumption of guilt when it comes to mergers.

Before adjourning until 11 am Thursday, the committee gave the go-ahead to a bill which would bar platforms from favoring their own products—by, for example, giving them prominence in an online marketplace or using software as default on an electronic device.

It was expected to discuss, after the adjournment, a bill which would make it easier to break up tech giants.



Representative David Cicilline, pictured in 2020, led an investigation which has resulted in a package of sweeping antitrust reform legislation being debated in Congress.

During the marathon session, lasting more than 16 hours, some Republicans and moderate Democrats expressed concerns despite bipartisan support for the bills.

Representative Darrell Issa noted that the committee was considering "radical" reforms worthy of weeks of hearings rather than one marathon session.

"I believe many of these bills are going to die in the Senate if they ever get out of the House," Issa said.

Clash points included whether it is right to target laws at four big tech companies and whether government agencies will hobble them instead of letting them adapt to competition.

"The interoperability measure is a huge step backwards," said Oregon Republican Cliff Bentz.

"Big Tech is certainly not perfect. This bill is not the way to fix the problem."

Republican Representative Ken Buck, a supporter of the overhaul, said the legislation "represents a scalpel, not a chainsaw, to deal with the most important aspects of antitrust reform," in dealing with "these monopolists (who) routinely use their gatekeeper power to crush competitors, harm innovation and destroy the free market."

But Republican Jim Jordan criticized the effort, renewing his argument that Big Tech firms suppress conservative voices.

"These bills don't fix that problem—they make it worse," Jordan said. "They don't break up Big Tech. They don't stop censorship."

Steve Chabot, another Republican, called the initiative "an effort for big government to take over Big Tech."

Pushback from industry

Tech firms and others warned of negative consequences for popular services people rely on, potentially forcing Apple to remove its messaging apps from the iPhone or Google to stop displaying results from YouTube or Maps.

Apple released a report arguing that one likely impact—opening up the

iPhone to apps from outside platforms—could create security and privacy risks for users.

Forcing Apple to allow "sideloading" of apps would mean "malicious actors would take advantage of the opportunity by devoting more resources to develop sophisticated attacks targeting iOS users," the report said.

Amazon vice president Brian Huseman warned of "significant negative effects," both for sellers and consumers using the e-commerce platform, and reduced price competition.

"It will be much harder for these third-party sellers to create awareness for their business," Huseman said.

"Removing the selection of these sellers from Amazon's store would also create less price competition for products, and likely end up increasing prices for consumers. The committee is moving unnecessarily fast in pushing these bills forward."

The measures may also impact other firms including Microsoft, which has not been the focus of the House antitrust investigation but which links services such as Teams messaging and Bing search to its Windows platform, and possibly other firms.

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