

# Dominance, data, disinformation: Europe's fight with Big Tech

July 27 2023

---



Tech giants have been targeted by the EU for a number of allegedly unfair practices.

The European Commission, which announced Thursday an inquiry into Microsoft's promotion of its Teams messaging app, has fought US tech

giants on fronts from tax avoidance, disinformation and hate speech to data privacy and monopolistic practices.

Here is a summary of the tussles between Silicon Valley and Brussels.

## **Stifling competition**

The European Commission on Thursday said it would investigate whether Microsoft was "abusing and defending its market position" by bundling its Teams app with its Office suite.

It comes a month after the commission recommended that Google sell off part of its business following a two-year probe into its dominance of online advertising.

If Google fails to comply it could face a fine of up to 10 percent of its global revenue under the 2022 Digital Markets Act.

Brussels has already slapped over eight billion euros in fines on Google for abusing its dominant market position.

In 2018, the company was fined 4.3 billion euros (\$4.8 billion)—the biggest ever antitrust penalty imposed by the EU—for abusing the dominant position of its Android mobile operating system to promote its search engine.

The fine was later reduced to 4.1 billion euros.

The firm has also incurred billion-plus fines for abusing its power in the [online shopping](#) and advertising sectors.

Apple has also been in the EU's sights, with Brussels investigating its dominance among music streaming apps.

## Taxation

The EU has had less success in getting [tech companies](#) to pay more taxes in Europe, where they are accused of funneling profits into low-tax economies like Ireland and Luxembourg.

In one of the most notorious cases, the European Commission in 2016 found that Ireland granted illegal tax benefits to Apple and ordered the company to pay 13 billion euros in back taxes.

The EU's General Court later overturned the ruling, saying there was no evidence the company broke the rules, a decision promptly appealed by the Commission.

The Commission also lost a similar case involving Amazon, which it had ordered to repay 250 million euros in back taxes to Luxembourg.

In October 2021, following extensive lobbying by European countries, the G20 group of nations agreed on a minimum 15-percent corporate tax rate.

## Privacy

Brussels has also handed down billions in fines over breaches of data protection rules.

Ireland, which houses the European headquarters of several big tech firms, has hit Meta with a string of eye-watering fines.

They include a record penalty of 1.2 billion euros imposed in May for illegally transferring personal data between Europe and the United States.

Amazon previously held the record after Luxembourg slapped it with a 746 million [euro](#) penalty in July 2021 for breaching the bloc's landmark 2018 data protection regulation (GDPR).

## **Disinformation, hate speech**

Web platforms have faced accusations for years of failing to combat hate speech, disinformation and piracy.

The EU adopted the Digital Services Act last year to force big online companies to tackle these issues or face fines of up to six percent of their global turnover.

Nineteen major platforms are required to comply with the act starting August 25 this year, they include TikTok, Instagram and Twitter, which is now being rebranded as "X".

## **Paying for news**

Google and other [online platforms](#) have also been accused of making billions from news without sharing the revenue with those who gather it.

To tackle this, the EU created a form of copyright called "neighboring rights" that allows print media to demand compensation for using their content.

After initial resistance, Google and Facebook agreed to pay French media for articles shown in web searches. Google has reached an agreement with AFP on neighboring rights.

Citation: Dominance, data, disinformation: Europe's fight with Big Tech (2023, July 27)  
retrieved 2 May 2024 from

<https://techxplore.com/news/2023-07-dominance-disinformation-europe-big-tech.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.