

How big tech generated billions in fines... then didn't pay them

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Rarely a month goes by without big tech companies getting fined for price fixing, squashing competitors or misusing data, but it can take years before they pay a penny.

Ireland's data regulator confirmed to AFP that Meta has not paid any of the two billion euros (\$2.2 billion) in fines issued since last September. TikTok also owes hundreds of millions.

Amazon is still appealing against a 746 million euro fine from 2021, Luxembourg's data regulator told AFP.

Google is still disputing EU fines worth more than eight billion euros for abusing its market position between 2017 and 2019.

Apple has fought for years against a French antitrust fine of 1.1 billion euros and an order to pay 13 billion euros of tax to Ireland.

The problem is constant, global and involves [tech companies](#) of all sizes, not just the big four.

This week Australia confirmed that X (formerly Twitter) had not paid a fine imposed for failing to outline its plans to stamp out content depicting child sexual abuse—though X is now counter-suing.

Critics say fining tech companies does not stop their bad behavior and it is time for more drastic action.

'Challenge everything'

Margarida Silva, a researcher at Dutch NGO the Centre for Research on Multinationals, pointed out that [tech firms](#) have long reveled in their reputation for "disruption".

"Not paying the fines fits in with the way we've seen big tech companies challenge pretty much any enforcement of rules against them," said Silva.

"Even if the [company](#) ultimately loses, by that point they will have dragged the administration through years and years of expenditure."

This sets tech apart from industries like finance, she argued, where there is still an incentive to pay to reassure the public and investors.

But Romain Rard, a lawyer at Gide Loyrette Nouel in Paris, said it was common sense that firms would look to appeal big penalties.

"It's not as if companies can just ignore the fine, challenge decisions and hope for the best that they can get away without having to pay anything," he told AFP.

And there have been notable successes for the companies—chip firms Intel and Qualcomm have both recently had billion-dollar EU antitrust fines overturned or dramatically reduced on appeal.

Bring back break-ups

Europe's system is different to jurisdictions like China or the United States, where fines often come at the end of a lengthy process and are announced as settlements.

In 2019, Facebook paid a record \$5 billion fine to the Federal Trade Commission (FTC) over the Cambridge Analytica scandal.

And e-commerce giant Alibaba told investors in 2021 it immediately paid a record almost \$3 billion fine to Chinese regulators in 2021.

Activists argue that these companies are simply too rich for financial penalties to have much impact.

Austrian lawyer Max Schrems, who has campaigned vigorously for data

rights in Europe, said the issue was exacerbated by uneven application of the rules.

The Irish Data Protection Commission, he said, allowed the companies too much leeway with their appeals processes and issued fines that were far too small.

In an interview with AFP, Ireland's deputy data protection commissioner Graham Doyle defended his office's record and said fines were only one part of the story.

"With the vast majority of these investigations that we've finalized, while the fines tend to generate the most publicity, we have also imposed corrective measures," he said.

He highlighted an investigation into Instagram for their handling of children's data.

A 405 million euro [fine](#) is currently under appeal, but Doyle stressed that the platform had already fixed the initial problem.

Activists agree that fines can only be a part of the solution.

Silva argued that rather than noodling around with financial penalties, it was time for competition regulators to step up.

She urged them to halt future takeovers and mergers in the sector and undo the damage of the past, potentially even breaking up the companies.

"The problem of Meta would be entirely different if it hadn't been allowed to buy Instagram and WhatsApp," she said.

AFP has asked Meta for a response.

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