

Big Tech's 'nemesis' in EU gets new term—and more power

10 September 2019, by Kelvin Chan



European Commissioner for Competition Margrethe Vestager talks to journalists outside of the EU headquarters in Brussels, Tuesday, Sept. 10, 2019. The incoming president of the European Union's powerful executive arm nominated Denmark's Margrethe Vestager to the position of EU Commissioner for a Europe Fit For the Digital Age. (AP Photo/Francisco Seco)

The European Union's competition chief is getting a new term - with expanded powers - in a move that underlines how the bloc's battle to regulate big tech companies is only just beginning.

Margrethe Vestager, who angered the Trump administration by imposing multibillion-dollar penalties on the likes of Google and Apple, was reappointed Tuesday for a second five-year term as the bloc's competition commissioner.

The Danish politician's tasks will include strengthening competition enforcement in all sectors, stepping up efforts to detect cases of market abuse by big companies, speeding up investigations and helping strengthen cooperation with her global counterparts.

Perhaps ominously for the big tech companies that she has cracked down on, Vestager is also getting extra clout.

Ursula von der Leyen, the incoming president of the EU's powerful executive arm, promoted Vestager to a commission executive vice-president overseeing the EU's digital innovation and leadership efforts, including [artificial intelligence](#).

"Margarethe Vestager will coordinate the whole agenda and be the commissioner for competition," von der Leyen said at a press conference. Von der Leyen has said that by the end of her first 100 days in office, she wants to draw up legislation for a European approach on the "human and ethical implications" of artificial intelligence.

The Computer & Communications Industry Association, a lobby group with members including Google, Facebook and Amazon, reacted cautiously to Vestager's reappointment.

"We encourage the new Commissioners to assess the impact of all the recent EU tech regulation to ensure that future legislation will be evidence-based, proportionate and beneficial," it said in a statement.

Since taking office in 2014, Vestager earned a reputation as Silicon Valley's nemesis for a string of tough enforcement decisions against tech firms — efforts that may have helped inspire U.S. authorities, who recently opened a raft of investigations after previously taking a hands-off approach.

In the past week, separate multistate investigations have been opened into Google's alleged "potential monopolistic behavior" and Facebook market dominance. Months earlier, the U.S. Justice Department opened its own sweeping investigation of big tech companies.

Vestager slapped Google with 8.25 billion euros (\$9.1 billion) in fines for repeatedly abusing its market dominance to stifle competition, in antitrust cases involving the online giant's shopping search results, Google's Android software and AdSense ad service. In the Android case, Google made changes so that EU smartphone users can choose browsers and search engines, a result for consumers that Vestager likes to tout.

She also ordered Apple to pay back up to 13 billion euros (\$15 billion) in back taxes from Ireland, which prompted President Donald Trump to call her the "tax lady" who "really hates the U.S."

This summer, Vestager took action against two more U.S. tech companies. She fined U.S. chipmaker Qualcomm \$271 million, accusing it of "predatory pricing" to drive a competitor out of the market almost a decade ago.

And she opened a formal investigation into whether Amazon uses data from independent retailers to gain an unfair advantage over third party merchant. EU investigators are looking at whether Amazon uses data from activity on its platform to favor its own products for sale.

Vestager did not speak publicly Tuesday but recently flagged her latest area of tech concern.

"We look at new services even before they're introduced," Vestager said in a speech .

She added that her team is scrutinizing Facebook's new digital currency, Libra. "We're looking at whether those proposals create risks for competition, so we can be ready to act swiftly if an intervention were to prove necessary."

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