

Why was microsoft investigated for antitrust



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| Why was Microsoft Investigated for Antitrust Behavior? Karen Elmore ECON 312 Professor Guerman Kormilov DeVry University Microsoft is a very large and diverse computer software company. It was investigated for antitrust behavior after there were reports that Microsoft was abusing their position as the leading supplier of computer operating systems. Lawmakers investigated to see if Microsoft was trying to create a monopoly of the computer software market. They found that Microsoft was trying to cause a monopoly in the computer industry.

Here are the facts that support their findings. Microsoft developed Microsoft Office products that catered to the needs of professional in all types of fields, these products will only operate in a Windows operating system, which is a Microsoft system. When the early stages of the internet started, Microsoft tried to push out and eliminate their competitors when it came to web browsing. It provided Internet Explore free of charge in all of their operating systems.

This was at a time where people were being charged for AOL or Netscape Navigator. Microsoft was guilty of “ exclusive dealing”. This is a regulation that gives them sole rights to a certain product. This prevented their competition from entering the market with their products. Microsoft used a pricing schedule which was a benefit for Windows users, but if you were on a different operating system products or services would cost more. This was often a deterrent for people that uses a different system than Microsoft.

Yes, agree that Microsoft tried to monopolize the market. Monopolies can affect both the market and the providers. It can cause artificial pricing, a

demand for products that are always in short supply, and have multiple complaints with little to no response, and often times, consumers are not able to change to other products or services. If you have a Windows operating system on your computer you have to use Microsoft products or you have to make sure that Windows will allow it to run on your computer.

If you have another operating system such as an Apple Mac with the Safari operating system, you may or may not be able to use a Microsoft product.

Monopoly is not always a bad thing. Some see a marriage contract as a monopoly document It represents a “ legally sanctioned collusive agreement between two parties to exclude competitors and restrain trade”. (Williams, April 2002). Google is another computer search engine that has a very large market, with a variety of segments in the internet.

Google has a monopoly, but it has delivered a product that has satisfied customers, which has prevented them from looking or using other markets.

References The Microsoft Antitrust Case <http://casestudy.co.in/the-microsoft-antitrust-case/2009/12/01/> Walter E. Williams, Is Monopoly Good or Bad? Ideas on Liberty, April 2002 Obtained from <http://econfaculty.gmu.edu/wew/articles/fee/monopoly.html> The Microsoft case: competition law caught by politics <http://www.euractiv.com/competition/microsoft-case-competition-law-caught-politics/article-168541>