

# Evaluating anit trust legisiation



**ASSIGN  
BUSTER**

Introduction Antitrust legislation law was established in the United States to control the increasing number of companies who have been merging for the purpose of increasing their products' prices and/or lowering the outputs. The merging is in accordance to the existing trust agreements giving the merged companies enough power to limit competition and maximize profits at the public's expense. ([http://www. bookrags. com/other/business/antitrust-legislation-ebf-01. html](http://www.bookrags.com/other/business/antitrust-legislation-ebf-01.html), 2006). This paper is aimed at analyzing if the implementation of the anti-trust law is fair and just. Specifically, this paper tackles the highly criticized issue between the Microsoft Corporation and Internet Explorer.

### The Issue

On the 18th of May, 1998, US Department of justice and other twenty US states filed a court case against Microsoft Corporation on the issue of abusing its monopolistic power in handling both operating system sales and web browser sales. The merging of Microsoft Corporation and Internet explorer web browser has alleged to be the responsible for Microsoft's victory in the browser wars causing competing web browser's malfunctioning incidents. Microsoft responded that the merging of these two companies is just a marketing strategy in the hope of further innovating their products and get ahead over their competitors. Microsoft also explained that the two (Windows and Explorer) were now the same product and were inextricably linked together thereby giving consumers all the benefits of IE for free ([http://en. wikipedia. org/wiki/Microsoft\\_antitrust\\_case](http://en.wikipedia.org/wiki/Microsoft_antitrust_case), 2006).

However, it has been proven that Microsoft really did some illegal acts of misleading the consumers and manipulating the Windows programs so as to create problems when downloading the competitors' web browsers. The <https://assignbuster.com/evaluating-anti-trust-legislation/>

impact of these illegal acts can directly affect the consumers. The consumers are, of course, the end users of these Microsoft and Internet Explorer programs. By buying or using the Microsoft Windows, they are left with no choice but to also use the Internet Explorer as their web browser. Needless to say, the consumers will find it hard to download or, worst, will never have had the chance to use the competitors' web browser (such as the Netscape Navigator) because their windows are already attached with an Internet Explorer web browser. The consumers are made to think that using these two programs will benefit them, however they are never informed that this may cause them more harm than by using another web browser ([http://en.wikipedia.org/wiki/Microsoft\\_antitrust\\_case](http://en.wikipedia.org/wiki/Microsoft_antitrust_case), 2006).

On June 30, 2004 the case was settled. US Department of Justice has required Microsoft to share its application programming interfaces to a third party companies. Three representatives will look closely on the Microsoft's systems such as the records and source codes for five years. US DOJ also disclosed that Microsoft need not change any of its code or limit itself from tying with other software in the future ([http://en.wikipedia.org/wiki/Microsoft\\_antitrust\\_case](http://en.wikipedia.org/wiki/Microsoft_antitrust_case), 2006).

### Conclusion

The Antitrust legislation is fair and just. Based on what had happened to Microsoft and the Internet Explorer, everything has been laid down to the public and the state. Every detail was studied and evaluated. The verdict or settlement made was fair enough to make Microsoft Corporation understand that misleading the public is punishable by law. Yes, it may be implied that the merging of Microsoft Corporation and Internet Explorer is just a marketing strategy but the act of misleading the public should not be the

<https://assignbuster.com/evaluating-antitrust-legislation/>

strategy.

Microsoft Corporation has all the right to merge itself with any programs or software. The state cannot prevent this company or other companies from doing so. In the same manner, the competing companies should not use the state nor the Department of Justice from preventing their competitors in their venture for improvement or expansion.

Works Cited and List of References:

" All federal antitrust filings related to Civil Actions No. 98-1232 and No. 98-1233", [Online] " An executive summary of the case written by US District Court for the general public (11/01/2002)" [Online] " Antitrust Legislation", [Online] viewed: 28 July 2006 " Antitrust Case", [Online] viewed: 28 July 2006 " Final decree for Civil Action 98-1232", [Online] " Final decree for Civil Action 98-1233", [Online] " The Department of Justice's Competitive Impact Statement (11/15/2001) relating to the revised proposed Final Judgment for both cases", [Online]