

ECONOMICS REPORT - EU Fines Microsoft for Anti-Competitive Actions*By Mario Ritter*

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This is Bob Doughty with the VOA Special English Economics Report.

The European Union's Commission on Competition ruled Wednesday that the Microsoft Corporation has used its powerful market position illegally. The E-U ordered Microsoft to provide information about its Windows operating system to other software companies. The E-U commission also ordered Microsoft to make a version of Windows without one of the company's own software products. And, it ordered the American software company to pay about six-hundred-million dollars.

Microsoft says it will appeal the decision to the European Court of First Instance in Luxembourg.

Microsoft is the world's biggest software maker. Software is a set of orders for the parts of a computer. An operating system is a complex set of orders that control the computer, its software and other devices. Microsoft software runs more than ninety percent of all personal computers in the world.

The E-U commission ruled about Microsoft's addition of a media player to its operating system. A media player lets a computer play music and video through the Internet. The commission ordered Microsoft to make a version of Windows without the Microsoft Media Player. Microsoft has said that is not possible.

Other software makers are increasingly using open code operating systems. Any company can make software for these systems. But Microsoft uses a secret code. The commission did not order Microsoft to share its secret code. But it did order Microsoft to share information that will permit competing companies to make software that works with Microsoft systems.

Microsoft says the commission's actions will give European buyers fewer choices. The company says a settlement it proposed would have been better. The company had offered to include three competing media players along with Windows.

European Competition Commissioner Mario Monti says companies with powerful market positions have a special responsibility to make sure they do not prevent competition. He says the decision restores the conditions for fair competition.

In the nineteen-nineties, the United States government charged Microsoft with harming competition. Microsoft settled its case with the government in two-thousand-one.

This VOA Special English Economics Report was written by Mario Ritter. This is Bob Doughty.



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