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United States v. Microsoft

"United States v. Microsoft was a court case filed against Microsoft Corporation on May 18, 1998 by the United States Department of Justice and twenty U.S. states. The plaintiff's alleged that Microsoft abused monopoly power in its handling of operating system sales and web browser sales". (Wikipedia1) Basically this means that Microsoft Corporation was accused of forming a monopoly against all other software corporations because Microsoft was selling its computers with Internet Explorer already installed on it. This way customers were getting a web browser for free almost and therefore. Microsoft sold more computers. This is known as bundling. Bundling them together is what gave Microsoft the victory in the so called "browser wars" because e very Windows user had a version of Internet Explorer installed on their computer upon purchase. Because of this advantage it was alleged to be unfair to other web browsers because it unfairly restricted the competing web browser market.

The trial started in May 1998 with the US Justice Department and the Attorneys General of twenty US states suing Microsoft for illegally hindering competition in order to protect and extend its software monopoly. They were later sued because they were forcing computer makers to install IE onto the computers they sold. They threatened PC manufacturers with revoking their license to distribute Windows if they removed the IE icon from the initial desktop. (WIkipedia)

Videotapes were submitted as evidence during court procedures. Among these tapes was one that demonstrated that removing IE from Microsoft Windows caused slowdowns and malfunctions. Viewers noticed that the tape had been altered because certain desktop icons would be present in once shot and then not present in another shot. Microsoft later submitted another tape which turned up to be faulty as well. The government produced its own tape of downloading other browsers onto the PC. This process was slow and the icon was not placed on the desktop; which is what was shown on the edited video tape that Microsoft has submitted.

On November 2, 2001, the Department of Justice reached an agreement with Microsoft to settle the case. The proposed settlement required Microsoft to share its application programming interfaces with third-party companies and appoint a panel of three people to have full access to Microsoft's system, records, and source code for five years in order to ensure compliance. (Wikipedia) On the other hand, the Department of Justice did not require Microsoft to change any of its code nor prevent Microsoft from tying other software with Windows in the future.

Strict free market critics think that the case against Microsoft were unjustified claiming that Microsoft was just a big business that held a large market because they fairly beat out other software corporations. These critics believe that the anti-trust case against Microsoft is dangerous due to the fact that it hinders the progression of technology and it gives the government more control over the free market.

In opposition of the strict free market critics one could say that if Microsoft were to keep selling and distributing IE on its PC's, other software corporations would go out of business. This is in itself a monopoly in the making. IE may be free now because Microsoft still has a handful of competitors but once Microsoft outsells them by a large amount and they are forced out of business, the consumer will end up having to pay for Internet Explorer. If Microsoft became a Monopoly, their only main concern would them be to charge the consumer for everything and at the highest cost possible. They have no competition and it would be the only web browser provided so the consumer would be forced to buy it. The "Unites States v. Microsoft" case is a perfect example of a possible future monopoly.